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ASEAN IRKED BY AUSTRALIAN OFFICE IN PHNOM PENH

BK020438 Bangkok BANGKOK POST in English 2 Nov 86 p 3

[Text] ASEAN has expressed dissatisfaction to Canberra over the opening of a non-government office to oversee, maintain and coordinate humanitarian assistance in Phnom Penh.

Informed sources told the POST yesterday that ASEAN expressed its displeasure last month following its objections to Australia building a \$640,000 [currency not specified] earth satellite for Vietnam.

A senior government source said that ASEAN expressed its dissatisfaction over the establishment of the Phnom Penh office in a letter also objecting to the satellite.

The office opened on October 2 and is run by one Australian, Jennifer Ashton. It will coordinate the activities of three humanitarian aid agencies -- the Australian Freedom from Hunger Campaign, the Save the Children Fund and Australian People for Health, Education and Development Abroad -- in Kampuchea, Laos and Vietnam.

Requests to set up the office in Phnom Penh were made last March when two Australian MPs [Members of Parliament] and officials of World Vision visited Kampuchea to see how Australian humanitarian aid was being spent.

Australia's Assistant Secretary for Southeast Asia, John Holloway, also accompanied the group, the sources said.

They claimed that Mr Holloway and the group met the Heng Samrin regime's Foreign Minister Hun Sen who approved the request to set up the office.

ASEAN fears that the establishment of such an office could signal a change in Australia's policy on the Heng Samrin regime. The sources said, however, that Australia's response has been that the new office does not imply that Canberra will change its policy and recognize the regime.

An Australian Embassy spokesman last night refused to comment on the ASEAN complaint.

TIN PRODUCING COUNTRIES CONFER IN JAKARTA

BK270711 Jakarta Domestic Service in Indonesian 0600 GMT 27 Oct 86

[Text] Mining and Energy Minister Subroto today opened a ministerial meeting of the Association of Tin Producing Countries [ATPC] in Jakarta. The 2-day meeting attended by Indonesia, Malaysia, Thailand, Australia, Bolivia, Nigeria, and Zaire will discuss the world tin prices and production. In his speech, Minister Subroto said the conference is timely and will be an important forum for formulating steps to stabilize the world tin market. Minister Subroto was confident that decisions made at the conference would improve the situation of the deteriorating international tin market.

The ATPC ministerial meeting is also attended by China and Brazil as observers. The chief delegates to the ATPC meeting include Australian Primary Industry Minister John Kerin, Malaysian Primary Industry Minister Lim Keng Yaik, Thai Deputy Industry Minister Kon Thappharangsi, Bolivian Ambassador to China Jorge Lema Patino, and Nigerian Charge d'Affaires to Indonesia (Simon Okenfuwo).

ATPC ASKS U.S. TO HELP RAISE TIN PRICE

BK290802 Jakarta Domestic Service in Indonesian 0700 GMT 29 Oct 86

[Text] The fourth meeting of the Association of Tin Producing Countries [ATPC] ended in Jakarta last night. The meeting, which was opened on 27 October, was also attended by Brazil and the People's Republic of China as observers in addition to all the member countries -- Australia, Bolivia, Malaysia, Nigeria, Thailand, Zaire, and Indonesia. At the closing meeting, the ATPC member countries jointly called on the United States to (?refrain from) releasing its tin reserve onto the world market so as to help raise the present low tin price.

Mining and Energy Minister Subroto, who was elected chairman during the fourth ATPC meeting, said there are at present two scenarios for tin prices on the world market. The first one says that tin prices vary from U.S. \$5,000 to \$5,800 per metric ton, while the second one indicates that they range between U.S. \$5,800 and \$6,900 per metric ton. Minister Subroto said tin prices will reach U.S. \$6,900 if Brazil and China reduce their tin production.

According to the ATPC, the world demand for tin in 1986 will be about 175,000 metric tons, the same as in 1985. The demand in 1987 is not expected to be much different. Peru and Zimbabwe will be invited to attend the fifth ATPC meeting scheduled to be held in Kuala Lumpur, Malaysia, in mid-September 1987 [words indistinct].

NAKASONE TO MEET DENG XIAOPING IN PRC 9 NOVEMBER

OW040351 Tokyo KYODO in English 0316 GMT 4 Nov 86

[Text] Tokyo, Nov. 4 KYODO -- Prime Minister Yasuhiro Nakasone will leave Saturday for a two-day visit to China and will meet senior leader Deng Xiaoping Sunday, the government officially announced Tuesday. Nakasone will meet Chinese Communist Party General Secretary Hu Yaobang Saturday after attending a ceremony marking the inauguration of a Japan-China youth exchange center. Nakasone will meet with Premier Zhao Ziyang and Deng Sunday before returning to Tokyo.

'TEXT' OF AGREEMENT WITH U.S. ON EXCHANGE RATES

OW311155 Tokyo KYODO in English 1144 GMT 31 Oct 86

[Text] Tokyo, Oct. 31 KYODO -- Following is the full text of Japan-U.S. agreement on the stabilization of exchange rates, announced by Finance Minister Kiichi Miyazawa Friday:

U.S. secretary of the treasury, James A. Baker, III and Japanese Finance Minister Kiichi Miyazawa today announced that, as part of the ongoing dialogue between the United States and Japan on economic, trade and financial issues, they have reached agreement on cooperative action and understandings regarding a number of economic issues of mutual concern.

Both ministers stressed the importance of continuing cooperative action by Japan and the United States to address global economic problems. They agreed that action by the key industrial countries is critical at this time to promoting world economic growth, reducing imbalances, and resolving international debt problems.

In this connection, Minister Miyazawa outlined the following actions being taken by Japan to help fulfill its responsibilities in the world economy:

-- The Government of Japan (GOJ) has decided today to submit to the Diet a supplementary budget in order to implement the 3.6 trillion yen package announced in September, designed to provide a substantial stimulus to the Japanese economy. This stimulus will be achieved through additional investments in key areas such as public works, housing, and construction. The GOJ will monitor progress in implementing expeditiously the stimulus package to assure that its expected impact on growth is realized.

-- The GOJ intends to put in place, as soon as possible after Diet approval, a tax reform plan, including reductions in the marginal tax rates for both personal and corporate income. In this connection, it was noted that on October 28 the government tax council recommended, following its interim report, reducing the effective tax rate for corporations to below 50 percent and reducing the highest marginal tax rate on personal income. Such cuts in tax rates will increase investment and give incentive for more business activities. More generally, the tax reform will provide a system which better reflects taxpayers' choice, unleashing the growth potential of the Japanese economy. The structure and implementation of tax reform would provide additional stimulus to the Japanese economy while providing for needed financing to continue the process of fiscal consolidation.

-- The Bank of Japan has decided today to reduce its discount rate from 3.5 percent to 3 percent, effective November 1, 1986.

Secretary Baker welcomed the actions and plans of Japan to stimulate growth and to reduce imbalances.

He stated that, for its part, the United States:

- Remains fully committed to significant and steady reductions in the U.S. budget deficit, consistent with the Gramm-Rudman-Hollings Act;
- Has just enacted an historic tax reform which will provide additional incentives to invest and to work and will promote growth in the U.S. economy; and
- Has continued to resist protectionist pressures and work towards free and fair trade.

Minister Miyazawa expressed his appreciation for the U.S. policies in these areas, noting that they complement Japan's economic policy actions.

Minister Miyazawa and Secretary Baker agreed that these actions will contribute significantly to promoting growth in Japan, the United States, and the rest of the world, as well as to reducing global trade imbalances. In this connection, they shared the view that exchange rate instability can jeopardize stable economic growth. They expressed their mutual understanding that with the actions and commitments mentioned above, the exchange rate realignment achieved between the yen and the dollar since the Plaza agreement is now broadly consistent with the present underlying fundamentals, and reaffirmed their willingness to cooperate on exchange market issues.

Secretary Baker and Minister Miyazawa expressed their common view that these cooperative actions represent important steps in fulfilling their commitments from the Tokyo Summit, and the September meeting of the group of seven finance ministers in Washington, to pursue close and continuous coordination of economic policy. They agreed to stay in close touch on these matters, and called on other major industrial countries to join in these efforts to promote global growth, reduce imbalances and promote open markets.

MIYAZAWA ON FOREIGN EXCHANGE MARKET INTERVENTION

OW040357 Tokyo KYODO in English 0311 GMT 4 Nov 86

[Text] Tokyo, Nov. 4 KYODO -- Finance Minister Kiichi Miyazawa hinted Tuesday that Japan and the United States are prepared, if necessary, to engage in coordinated intervention in foreign exchange markets to achieve exchange rate stability. Reacting to negative remarks made by U.S. Treasury Department officials about such coordinated efforts, Miyazawa said at a news conference that the Japan-U.S. agreement stipulates "their willingness to cooperate on exchange market issues."

The accord, the text of which was issued last week by Miyazawa and Treasury Secretary James Baker Friday, said "the exchange rate realignment achieved between the yen and the dollar since the Plaza agreement (in September 1985) is now broadly consistent with the present underlying fundamentals." The joint statement also mentioned the Bank of Japan's decision to lower its discount rate from 3.5 percent to 3 percent, effective Saturday.

The dollar opened at 164.25 yen on the Tokyo foreign exchange market Tuesday morning, compared with 161.45 yen at Friday's finish.

BOJ GOVERNOR SAYS NO 'TARGET ZONE' IN ACCORD

OW041155 Tokyo KYODO in English 1135 GMT 4 Nov 86

[Text] Osaka, Nov. 4 KYODO -- Satoshi Sumita, governor of the Bank of Japan [BOJ], said Tuesday there was no idea of a "target zone" involved in a joint statement issued last Friday by U.S. and Japanese monetary authorities, denying speculation that the two countries agreed to keep currency exchange rates within certain specific limits. He made the remarks in a meeting with business leaders in the Kansai (western Japan) region. Japan's Finance Minister Kiichi Miyazawa and U.S. Treasury Secretary James Baker issued a statement reaffirming U.S. and Japanese cooperation in bringing about exchange rate stability.

Sumita said in general terms that yen-dollar exchange rates have been corrected to levels that reflect "economic fundamentals" of Japan and the United States. He declined to say whether the current rate is adequate or not. The dollar Tuesday closed at 163.60 yen in Tokyo, up 2.15 yen from Friday's finish.

Asked to comment on the sharp appreciation of the dollar Tuesday, Sumita merely expressed the hope that the exchange rates will stabilize to ensure sustained economic growth in the future. Sumita called for cooperation among industrial nations to bring about exchange stability.

Urges Exchange Rate Stability

OW040613 Tokyo KYODO in English 0535 GMT 4 Nov 86

[Text] Osaka, Nov. 4 KYODO -- Bank of Japan (BOJ) Governor Satoshi Sumita said Tuesday he strongly advocates stability in foreign exchange rates, which is vital for continued expansion of the domestic economy. Sumita told a press conference at BOJ's Osaka branch that he admits the current exchange rate is unstable following last Friday's joint statement by Japan's Finance Minister Kiichi Miyazawa and U.S. Treasury Secretary James Baker reaffirming cooperation on exchange market issues and a recovery in the U.S. economy.

The U.S. dollar has soared against the yen in overseas markets since last weekend. It closed Tuesday's morning session in Tokyo at 163.65 yen, up 2.20 yen from last Friday's finish. However, Sumita declined comment on whether the current exchange rate is adequate or not.

The central banker came to Osaka to confer with local business leaders. Responding to fears of a resurgence in inflation following this year's fourth official discount rate cut to a postwar low of 3.0 percent, Sumita said land price hikes and other effects of easy money policies should be watched carefully.

He said the money supply level has risen recently but he does not think it is escalating to the point where it should arouse concerns of inflation. He added there is no change toward allowing the manipulation of Japan's monetary policies depending on the respective state of the economy and he cannot predict what future official discount rates will be.

ABE REVEALS SHULTZ' PROMISE ON RICE ISSUE

OW030615 Tokyo KYODO in English 0609 GMT 3 Nov 86

[Text] Gifu, Nov. 3 KYODO -- Former Foreign Minister Shintaro Abe disclosed here Monday the United States had made a verbal promise to Japan not to raise rice as a subject of trade consultations. Abe, chairman of the ruling Liberal-Democratic Party's Executive Council, made the disclosure in a speech before LDP followers.

"While I was foreign minister, U.S. Secretary of State George Shultz pledged not to mention the rice issue." Abe said at the LDP meeting in this capital city of Gifu of Gifu Prefecture in central Japan. Abe was foreign minister until the cabinet change in July.

He was referring to the rejection by the U.S. Government of a petition by the U.S. Rice Millers Association against Japan's near total rice import ban and a related U.S. decision to take the case to new global trade talks under the General Agreement on Tariffs and Trade.

Abe speculated that the U.S. breach of a secret promise indicates trade tensions are reaching an unbearably critical stage for the U.S. Government. "We the Japanese have to recognize that," he added.

YANAI, USSR'S KAPITSA TO HOLD TALK IN MOSCOW

OW041213 Tokyo KYODO in English 1207 GMT 4 Nov 86

[Text] Tokyo, Nov. 4 KYODO -- Japan and the Soviet Union will hold the sixth working-level consultations in Moscow on November 13-14, the Foreign Ministry said Tuesday. Deputy Foreign Minister Shinichi Yanai will represent Japan at the meeting and Mikhail Kapitsa, vice foreign minister in charge of Asian affairs, will represent the Soviet Union, the ministry said.

The consultations will focus on both international and bilateral issues, the ministry said.

During his stay in Moscow, Yanai is scheduled to meet Soviet Foreign Minister Eduard Shevardnadze. It is expected that during Yanai's visit Kapitsa might tell Japan when the Soviet leader Mikhail Gorbachev will visit Tokyo.

INCREASED AID FOR SOUTH PACIFIC NATIONS PLANNED

OW021113 Tokyo KYODO in English 0952 GMT 2 Nov 86

[Text] Tokyo, Nov. 2 KYODO -- Foreign Ministry officials recently approved a plan to review economic assistance to Fiji, Kiribati and other island nations in the South Pacific, signaling a shift towards strategic Japanese aid to that particular region. According to ministry officials, the policy shift is regarded as necessary due to a decline in Australian and British economic assistance to the South Pacific nations and the emergence of Soviet interests in the region.

An indication of Japan's interest in the region is a possible visit by Foreign Minister Tadashi Kuranari to Fiji and its neighboring countries when he visits Australia next January to attend a bilateral cabinet ministerial meeting officials disclosed.

They also pointed out that increased levels of aid are necessary to the isolated region, whose economy is based almost entirely on primary products and is currently in a slump due to declining world prices.

Following conclusion of a Soviet-Kiribati fishing agreement October 1985, the U.S. Government moved swiftly to sign its own fishing pact in mid-October with the 16-nation island group and to approve a 10 million dollar annual aid package to the region.

In line with the current review in foreign policy taking place within the ministry's various bureaus, officials plan to dispatch an observation team to the South Pacific region early next year to prepare a final policy proposal by April 1987.

Japan's official development assistance (ODA) per region is based on a combination of factors which involves requests from the countries concerned and a review of their respective development programs.

After conducting the study, the Japanese Government determines the level of economic aid and conducts final negotiations with the country concerned.

In the case of the Pacific Island nations, however, ministry officials explained that government planning is lagging and have recommended a "needs" policy in Japan's assistance program for the region.

The new policy shift is also expected to appease demands by Japan's economic partners for increased economic assistance to Third World and developing countries, ministry officials said.

NODONG SINMUN SUPPORTS SOVIET PEACE PROPOSALS

SK040519 Pyongyang KCNA in English 0503 GMT 4 Nov 86

[Text] Pyongyang November 4 (KCNA) -- NODONG SINMUN today stresses that the Korean people support the stand of the Soviet Union for peace and security in the Asian-Pacific region including the Korean peninsula and her sincere efforts for its realisation.

In a commentary titled "Clear Manifestation of Peaceloving Stand" the author notes that the situation of the Asian-Pacific region is being aggravated and the danger of war increasing with each passing day due to the bellicose moves of the U.S. imperialists, and says:

The world's peaceloving people express anxiety about the situation of the Asian-Pacific region which is being rendered tense as days go by.

Proceeding from a noble sense of responsibility for the cause of world peace, the Soviet Union directs deep attention to the situation of the Asian-Pacific region and positively struggles to ensure peace and security in this region.

This is well illustrated by the proposal of the Soviet Union for converting the Asian-Pacific region into a zone of peace and cooperation free from nuclear weapons and the danger of war.

In July last, Comrade Mikhail Sergeyevich Gorbachev, general secretary of the Central Committee of the Communist Party of the Soviet Union, in his speech in Vladivostok advanced detailed proposals for ensuring security and preserving peace in the Asian-Pacific region.

Reflected in the proposals is the consistent peaceloving stand of the Soviet Union to safeguard peace and security and thereby avert thermonuclear war in the Asian-Pacific region, preserve and consolidate peace in this region and the world as a whole and contribute to promoting peaceful cooperation among nations.

The Soviet party and government, attaching importance to the situation of the Korean peninsula, always extend full support and encouragement to the just cause of the Korean people.

At his meeting with the great leader Comrade Kim Il-song shortly ago respected Comrade Mikhail Sergeyevich Gorbachev fully supported the positive and constructive peaceful initiatives advanced by the Workers' Party of Korea and the government of the DPRK for the reunification of the country and for peace and security on the Korean peninsula.

All facts patently prove who desires detente, peace and security in the Asian-Pacific region and who is rushing headlong along the road of war in this region.

The United States must accede to the proposal of the Soviet Union for peace and security in the Asian-Pacific region.

'RELIABLE SOURCES' ON KIM IL-SONG'S MOSCOW TRIP

HK010402 Hong Kong SOUTH CHINA MORNING POST in English 1 Nov 86 p 1

[By David Chen]

[Text] Marshal Kim Il-song, the President of North Korea, had an unpleasant time in Moscow during his recent visit, the SOUTH CHINA MORNING POST learned from reliable sources yesterday.

Marshal Kim flew to Moscow on October 22 and spent five days there, causing speculation as to why the trip was arranged and at whose request.

Sources said if Marshal Kim had entertained hopes of Soviet endorsement of his domestic and foreign policies, he would have been greatly disappointed.

"Kim was literally called to the Kremlin and was told by Mr Gorbachev to improve his economy," said one source.

"In fact, Kim got the same kind of scolding as Truong Chinh (the Vietnamese chief who succeeded Le Duan) for mismanagement of the economy and mishandling Soviet aid.

"It could not have been a very happy trip for the old marshal -- not to mention his wounded pride."

The Soviet Union has lately sent considerable aid to North Korea, including military assistance with the "sale" of a squadron of advanced Mig-25s [as published], in exchange for Soviet use of military bases and permission to overfly Korean territory from Vladivostok to Bohai Bay, the region under the purview of Beijing's North China Fleet.

But Marshal Kim was uneasy over Soviet attitudes, noting that Mr Gorbachev had omitted any reference to North Korea in his July 28 Vladivostok speech, in the same manner as he had snubbed Vietnam.

While China has explicitly endorsed Marshal Kim's son as the heir apparent, the Kremlin has yet to do so. Although full details of the marshal's trip are not known, it appears unlikely Mr Gorbachev gave Soviet blessing to Marshal Kim's son.

There was another interesting aspect to the visit. The marshal vowed never to fly again after narrowly escaping death from an American squadron during the Korean War. He has done all his travels since by train.

However, on this occasion, he flew to Moscow and returned by air as well. The East German leader, Mr Erich Honecker, ended an official visit on October 21 and Marshal Kim would not have been able to keep his appointment with Mr Gorbachev if he had made the trip to Moscow by train.

NODONG SINMUN CONDEMNS CHON'S INSPECTION

SK031338 Pyongyang Domestic Service in Korean 2153 GMT 2 Nov 86

[NODONG SINMUN 3 November commentary: "Having a Sword in His Mouth"]

[Text] Turning up, together with the puppet military brass, on the midwestern frontline where a war exercise called "Ssangyong-86" was being frantically staged, traitor Chon Tu-hwan clamored about somebody else's possible provocation or about the security situation being threatened, then whipped up a war fever by referring to thorough readiness or full preparedness. Prior to this, traitor Chon Tu-hwan, appearing in the forefront of the western part of the frontline and stirred up war agitation after referring to somebody else's threats.

Judging from traitor Chon Tu-hwan's directing the puppet army and homeland reserve forces to a commotion of war exercise for northward invasion with a sword in his mouth and his whipping up a war fever, it is clear that he is about to light the torch of war at any time he chooses.

Not only has the Chon Tu-hwan ring mobilized the homeland reserve forces, along with the regular armed forces, in the war exercise, but it also went so far as to bring him in person to the powder-reeking scene of the war exercise to command it. This is an act war maniacs often commit on the eve of war. Moreover, a war exercise commotion aimed at putting the U.S. imperialists' plan for a war of aggression into practice is being madly conducted on the ground, at sea, and in the air in South Korea and its neighboring areas. In the South pirate ships of the U.S. 7th Fleet, puppet naval vessels, the U.S. Air Force occupying South Korea, and the U.S. Strategic Air Command are engaged in an adventurous combined war exercise. Another large-scale war exercise in which the U.S. and Japanese armies and air forces are participating is being conducted in Hokkaido, Japan.

There is no need to state that all these are aggressive war exercises aimed at a war in Korea. Participating in these war exercises are the fighters of U.S. forces occupying South Korea, not to mention such U.S. armed units as the troops of the U.S. 7th Fleet and the U.S. 25th Infantry Division that were so notorious during the past Korean War.

The U.S. imperialists and the Chon Tu-hwan ring are about to provoke a war of northward invasion and are waiting for an opportunity to do so. It is not because of somebody else's threats or provocations that the Chon Tu-hwan ring is so enthusiastic about war exercises.

Following the proposal to halt military exercises, a measure we took on our initiative to ease tension and create an environment favorable to North-South dialogue, this year we have advanced such proposals as talks between military authorities and the creation of a nuclear-free, peace zone on the Korean peninsula.

Additionally, the KPA Supreme Command has taken the measure of withdrawing approximately 150,000 soldiers of the People's Army from frontline areas and guard posts and bringing them to sites of peaceful construction despite the tense situation in which the danger of war is constantly felt. How can our peaceful efforts such as these become threats? Such hogwash can be uttered only by such war maniacs as the Chon Tu-hwan ring, which waits for an opportunity to provoke a war.

A Japanese military magazine said that the military threat from the North does not pose as much a threat to the Chon Tu-hwan ring as does the threat coming from within -- political instability in South Korea. Because of the anti-U.S. and antipuppet struggle by the youths, students, and democratic forces, political chaos in South Korea has reached an extreme. Even as the fascist suppression intensifies, the youths and students stage an unwavering struggle demanding the resignation of traitor Chon Tu-hwan, the dismantling of nuclear bases, and the withdrawal of U.S. troops. Voices denouncing the Chon Tu-hwan ring's treacherous and antinational acts to the effect that reunification, not anticomunism, should be a national priority are reverberating even in the puppet National Assembly.

Exacerbated by the anti-U.S. and antifascist struggle for democratization which has surged forward in South Korea, the Chon Tu-hwan clique is now trying to placate the people's struggle by conjuring up a crisis-consciousness and terror-stricken atmosphere and would not hesitate to provoke a war of northward invasion if necessary. However, neither threats nor blackmail, or a war of northward invasion will serve the Chon Tu-hwan ring as a breakthrough. The puppets should stop acting rashly and step down from power as demanded by the South Korean people.

NODONG SINMUN ON REUNIFICATION THROUGH STRUGGLE

SK032245 Pyongyang Domestic Service in Korean 2121 GMT 2 Oct 86

[NODONG SINMUN 3 November special article: "Let Us Usher in a New Day of Independence, Democracy, and Reunification Through Struggle"]

[Text] Today marks the 57th anniversary of the Kwangju student incident which recorded a proud page in the history of our people's anti-imperialist national liberation struggle. The Kwangju student incident, which occurred because of the teasing and insulting of a Korean coed by a Japanese student on a train between Kwangju and Naju, was an eruption of the pent-up resentment and animosity of the youths, students, and people under the Japanese imperialists' colonial oppression.

On 3 November 1929, shouting the slogans "Let us overthrow the Japanese imperialists!", "Long live the independence of Korea!", and "Rescind the colonial slavery education!", the youths, students, and people of Kwangju turned out in a popular anti-Japanese struggle. This struggle spread to Pyongyang, Seoul, Sinuiju, Hamhung, Taegu, Pusan, and all other areas in the country, and continued nearly 6 months amid the Japanese imperialists' brutal suppression and mass arrests. The Kwangju student incident displayed the patriotic spirit of the Korean youths and students and their indomitable will, and dealt a serious blow to the outrageous colonial rule of the Japanese imperialists.

Some 57 years have elapsed since the Kwangju student incident. Following the ending of the Japanese imperialists' colonial rule of nearly half a century through the historic victory in the anti-Japanese revolutionary struggle organized and led by the great leader Comrade Kim Il-song, the sun of the nation and legendary hero of the anti-Japanese struggle, the people in the northern half of the Republic, under the banner of the immortal chuche idea, have traversed the path of prosperity and development unprecedented in the 5,000-year history of our people and opened the era of glory that we see today.

Nevertheless, in South Korea, half of the country, the independence and national sovereignty of the country desired by the youths, students, and people on that day 57 years ago have not yet been realized.

The great leader Comrade Kim Il-song has taught: The U.S. imperialists have occupied South Korea and have become new colonial rulers there in place of the Japanese imperialists. The U.S. imperialists, who crept into South Korea in place of the Japanese imperialists following liberation, have mercilessly trampled the masses' democratic freedom and rights and imposed a fascist colonial rule unprecedented in history. They have turned South Korea into the miserable living human hell that we see today. To maintain South Korea as their colony and military base indefinitely, the U.S. imperialists follow their basic Korea strategy of creating two Koreas, while instigating division and confrontation. Thus, they persistently obstruct the independent and peaceful reunification of the country.

With the wicked ambition to invade the northern half of the Republic and other countries in Asia by using South Korea as a foothold, the U.S. imperialists are drastically introducing nuclear weapons and aggressive armed forces into South Korea and running amok in seeking new war provocation maneuvers.

The U.S. imperialists are again dragging into South Korea the Japanese militarists who imposed the fate of colonial slavery on our people and inflicted all kinds of misfortune on them in the past. They are hell-bent on fabricating a U.S.-Japan-South Korean triangular military alliance.

The Japanese reactionaries, with the dream of recovering their old position in South Korea as colonial rulers, are intensifying their political, economic, and military collusion with the puppets. Mutual junkets are frequently made between the Japanese reactionaries and the puppets, while a new era of South Korea and Japan is being talked about. Under these circumstances, the Japanese reactionaries' maneuvers are being accelerated to invade South Korea again. Under the facade of their collective security, military alliance has been sought and, behind the curtain of economic cooperation, the South Korean economy has been absorbed deep into the sphere of the Japanese economy. As a result, today, South Korea has become a dual U.S.-Japanese colony.

The U.S. imperialists' colonial rule and the Japanese reactionaries' maneuvers to invade South Korea again have been further promoted and deepened because of the Chon Tu-hwan ring's act of nation-selling treachery. The Chon Tu-hwan ring is scheming to realize its wild ambition for long-term office by offering the country and nation to its U.S. and Japanese masters. While adulating the U.S. and Japanese aggressors, he puppets are imprisoning and mercilessly punishing those youths, students, and democratic forces that demand the dignity of the nation, its sovereignty, and the country's peaceful reunification, by babbling about left-leaning and procommunist elements.

Recently, the fascist clique's atrocity of oppression has reached an all-time high stage. They have arrested and imprisoned an assemblyman of the opposition party who said that state policy should be reunification, not anticomunism. They are carrying out a mass manhunt by concocting such slanderous dramas as the wall-poster incident and the incident to establish a Marxist-Leninist party.

By babbling about procommunism, the puppets have said that some 10,000 people from some 30 organizations would be investigated. An average 5,000 people are indicted as criminal offenders every day, and 1,470 students, who staged sit-ins at Konguk University, have been arrested en masse. All these facts show that their fascist despotism has reached an extremely reckless stage.

However, all of this is a symptom of the last days of those who face ruination.

Today, braving oppression, the South Korean youths, students, and people are doggedly waging the antiforeign and antipuppet struggle to end foreign aggression in South Korea, to achieve sovereignty and independence, and to achieve democracy and the reunification of the divided fatherland.

The U.S. and Japanese aggressors must squarely look at reality and take their hands of domination, subjugation, and intervention off South Korea, and the nation-selling Chon Tu-hwan ring must step down from power. Through the anti-U.S. struggle for independence and antifascist struggle for democracy, the South Korean youths, students and people will repel the U.S. and Japanese forces of aggression and will usher in a new day of independence, democracy, and reunification.

VNS URGES MASSES TO JOIN STUDENTS' STRUGGLE

SK310830 (Clandestine) Voice of National Salvation in Korean to South Korea 0300 GMT 30 October 86

[Talk by Ko Il-chol from "Feature Program": "Let us join the sacred cause for reunification against the U.S. imperialists"]

[Text] Today throughout the country, the struggle fever of our masses to achieve independence, democracy, and reunification grows higher than at any previous time. The Chon Tu-hwan fascist ring, which is shocked at the daily increasing anti-U.S. and antidictatorial struggle, is committing brutal suppression against democratic and patriotic forces with a scheduled overall fascist aggression to crush the spirit of this struggle. On 28 October at Konguk university in Seoul, approximately 2,000 students from 26 universities throughout the country ignited a bold and matchless anti-U.S. and antidictatorial struggle. This patriotic students' anti-U.S. and antidictatorial struggle led by the national struggle association of patriotic students against foreign forces and the dictatorship is a just and patriotic act which reflects the consensus of our people who wish to liquidate U.S. colonial rule, defend national sovereignty, and achieve reunification of the country.

Patriotic masses from all walks of life, our loving sons and daughters, are conducting a sacred and arduous fight on the campuses and the streets to expel the Yankees, an old enemy of the nation; to overthrow the Chon Tu-hwan ring, faithful dog of the Yankees; and to achieve reunification of the country. I believe that you know for what and for whom they follow this road. They are the genuine patriotic intellectuals of this country and the true sons and daughters of the nation who, unable to look idly upon the lost national sovereignty, trampled democratic civil rights, suffocated public welfare, and deepening dark clouds of permanent division, have advanced on their own accord down the road of penance under the banner of independent and democratic reunification. Therefore, the students have unhesitatingly sacrificed their youth and their lives for the sacred anti-U.S. and national salvation road of country and nation.

How great and proud the students are -- students who, spilling their blood, desperately struggle on the campuses and the streets where teargas and the bayonets of the fascist group are rampant. Originally, it was our parents and the masses of all walks of life as well as the students who should be the leading actors responsible for straightening out this turbulent world. However, the youths, who are on the verge of full blossom, are countering the foreign forces and the strong fascist wind at the head of masses.

We should never look away from nor sit as spectators to sons, daughters, and students who are desperately [words indistinct] with the enormously heavy burdens of the destiny of the country and the masses on their shoulders. The fascist ring, which has foreseen its denouement from the students' democratic anti-U.S. and antifascist struggle, is taking every possible step to suppress the student movement forces.

I believe the patriotic masses of all walks of life should positively support and encourage the struggle of the students who have come out in a just and sacred war for national salvation and should actively join this struggle. This is a solemn requirement of the times and a fervent desire of the students -- a requirement and a desire which demand that we have the last showdown with the Yankees and the Chon Tu-hwan fascist ring. All masses of all walks of life who truly treasure the destiny of state and nation and who love the righteous students should readily meet the solemn requirement of the times.

Our cause for national salvation is a power confrontation between the Yankees and their stooges and the masses. To win victory in the struggle with the United States a den of imperialism and colonialism and an invader, and with the Chon Tu-hwan ring, a group of peerless murderers and tyrants, our patriotic masses of all walks of life should fight with one accord under the anti-U.S. and independent banner.

It is an absolute truth in history that the masses of all walks of life can defeat any formidable enemy when they wage a pannational struggle by firmly uniting as one. I believe that those who truly love their country and who are truly concerned about the future of nation should, transcending differences in idea, doctrine, prejudice, knowledge, and wealth, join in concert in the sacred war for national salvation -- a war to liquidate U.S. colonial rule, realize independent politics, bury the Chon Tu-hwan fascist clique, establish a democratic society, end national division, and achieve reunification of the land.

ELECTIONS FOR SUPREME PEOPLE'S ASSEMBLY HELD

SK030538 Pyongyang KCNA in English 0513 GMT 3 Nov 86

[Text] Pyongyang November 3 (KCNA) -- All the voters throughout the country participated in elections on November 2 with high pride and honor of being citizens of the Democratic People's Republic of Korea which was founded by the great leader Comrade Kim Il-song and is made to shine by our glorious party.

A festive atmosphere pervaded the streets and villages of the whole land from Pyongyang, the capital of revolution, to Chongjin, a northern city of iron, Wonsan, a port city of culture on the east coast, and Kaesong, a city adjacent to the military demarcation line.

Flags of the Republic were flying and slogans celebrating the elections to the Supreme People's Assembly were posted up on public buildings and dwelling houses and the polling booths were beautifully decorated with posters, miniature flags on strings and flowers.

The voters who had been anxiously awaiting the day of elections thronged to the polling stations and danced merry dances.

When the polling time came, the voters began casting their ballots with solemn feelings.

Hwang Son-hui, an anti-Japanese revolutionary fighter, was the first to cast her ballot at a booth of subconstituency No. 8, Sojang Constituency No. 43. She said our republic was so sturdy and brilliant as it had been born of the strong roots of the building of revolutionary power nursed by the great leader in the course of leading the Korean revolution and a brighter future was guaranteed today by the wise leadership of our party.

Yi Yong-song, a worker of the Nampo Combined Glass Company, who is father of quadruplets, came out to the polling booth with his wife Kim Yong-suk, carrying their children in their arms. After casting their ballots of loyalty, they said the great happiness they were enjoying today could be provided only by our party and the socialist system of our country which hold man dearest.

Choe Tok-sin, vice-chairman of the committee for the peaceful reunification of the fatherland, who was once South Korean "foreign minister" and army corps commander of the "ROK Army", participated in voting for the first time at subconstituency No. 8, Sojang Constituency No. 43. He said he had been nominated as a candidate for SPA deputy, which he had never dreamt of, not long after he became a citizen of the DPRK and, with the highest honor, he was renewing his resolution to devote himself to the cause of national reunification.

Compatriots visiting the socialist homeland from Japan also participated in the SPA elections.

The elections to the Eighth Supreme People's Assembly which were held amid high political fervor of the entire voters are a historical event which powerfully demonstrated the unshakable will and purpose of our people to consolidate our revolutionary power which has grown out of the sturdy roots of the anti-Japanese revolutionary struggle as firm as a rock and, with it as a revolutionary weapon, accomplish the revolutionary cause of chuche through generations under the leadership of the party.

Kim Il-song Elected

SK040427 Pyongyang KCNA in English 0413 GMT 4 Nov 86

[Text] Pyongyang November 4 (KCNA) -- 100 percent of the voters of Taean Constituency No. 651 participated in the elections on November 2 and 100 percent of them voted for the respected leader President Kim Il-song, according to a communique of the central election committee for the elections to the Eighth Supreme People's Assembly of the Democratic People's Republic of Korea which was published here on November 3.

This is a manifestation of the undisputed support and unbounded trust of the entire Korean people for the great leader President Kim Il-song and an expression of the unanimous faith and revolutionary will of our people to carry the revolutionary cause of chuche to accomplishment under the leadership of the party, holding him in high esteem at the head of our revolution.

The central election committee reported that President Kim Il-song was elected deputy to the Supreme People's Assembly according to the results of vote confirmed and submitted by the elections committee of Taean Constituency No. 651.

Kim Chong-il, Others Elected

SK040848 Pyongyang Domestic Service in Korean 2200 GMT 3 Nov 86

[*"Communiqué of the Central Election Committee"* issued on 3 November in connection with the successful completion of the elections of deputies to the Eighth SPA]

[Excerpts] The elections of deputies to the Eighth DPRK SPA were successfully held at all constituencies throughout the country in accordance with the regulations on the elections of deputies to the people's assemblies at all levels of the DPRK amid the high political zeal of the entire people to effect a new turn in carrying out the historic cause of modeling the whole society after the chuche idea by consolidating as firm as granite the power of the Republic, a powerful weapons of the revolution, which was founded and is led by the great leader Comrade Kim Il-song.

One hundred percent of the voters registered in the list of voters participated in the elections and 100 percent of them voted for candidates to the SPA registered at all constituencies. [passage omitted]

Comrade Kim Chong-il, member of the Presidium of the WPK Central Committee Political Bureau, was elected a deputy to the SPA at the No. 515 Yongsong Constituency; Comrade O Chin-u, member of the Presidium of the WPK Central Committee Political Bureau, was elected a deputy to the SPA at the No. 298 Chaeryong Constituency; Comrade Kang Song-san, member of the WPK Central Committee Political Bureau, was elected a deputy to the SPA at the No. 125 Sangdong Constituency; Comrade Pak Song-chol, member of the WPK Central Committee Political Bureau, elected at the No. 83 Kangdong Constituency; Comrade Yim Chun-chu, member of the WPK Central Committee Political Bureau, was elected at the No. 113 Pyongwon Constituency;

Comrade Yi Chong-ok, member of the WPK Central Committee Political Bureau, was elected at the No. 606 Tongchong Constituency; Comrade So Chol, member of the WPK Central Committee Political Bureau, was elected at No. 367 Hwangju Constituency; Comrade Yon Hyong-muk, member of the WPK Central Committee Political Bureau, was elected at the No. 182 Nagwon Constituency; Comrade Kim Yong-nam, member of the WPK Central Committee Political Bureau, was elected at the No. 556 Chaegang Constituency; Comrade Ho Tam, member of the WPK Central Committee Political Bureau, was elected at the No. 404 Chonnae Constituency; Comrade Kim Hwan, member of the WPK Central Committee Political Bureau, was elected at the No. 268 Songyong Constituency; Comrade O Kuk-yol, member of the WPK Central Committee Political Bureau, was elected at the No. 627 Panmun Constituency; Comrade So Yun-sok, member of the WPK Central Committee Political Bureau, was elected at the No. 1 Mangyongdae Constituency;

Comrade Yi Kun-mo, candidate member of the WPK Central Committee Political Bureau, was elected at the No. 517 Pungung Constituency; Comrade Kye Ung-tae, candidate member of the WPK Central Committee Political Bureau, was elected at the No. 364 Songnim Constituency; Comrade Chon Pyong-ho, candidate member of the WPK Central Committee Political Bureau, was elected at the No. 595 Undok Constituency; Comrade Hong Song-nam, candidate member of the WPK Central Committee Political Bureau, was elected at the No. 614 Iwon Constituency;

Comrade Hong Si-hak, candidate member of the WPK Central Committee Political Bureau, was elected at the No. 537 Ungok Constituency; Comrade Kim Pok-sin, candidate member of the WPK Central Committee Political Bureau, was elected at the No. 633 Haean Constituency; Comrade Choe Kwang, candidate member of the WPK Central Committee Political Bureau, was elected at the No. 481 Hongwon Constituency; Comrade Chong Chun-ki, candidate member of the WPK Central Committee Political Bureau, was elected at the No. 231 Unsan Constituency; Comrade Hyon Mu-kwang, candidate member of the WPK Central Committee Political Bureau, was elected at the No. 147 Yonpo Constituency; Comrade Kang Hui-won, candidate member of the WPK Central Committee Political Bureau, was elected at the No. 706 Taehyon Constituency; Comrade Cho Se-ung, candidate member of the WPK Central Committee Political Bureau, was elected at the No. 584 Settol Constituency; Comrade Yi Sun-sil, candidate member of the WPK Central Committee Political Bureau, was elected at the No. 258 Yukpyong Constituency;

Comrade Hwang Chang-yop, secretary of the WPK Central Committee, was elected at the No. 110 Taedong Constituency; Comrade Ho Chong-suk, secretary of the WPK Central Committee, was elected at No. 72 Oun Constituency; Comrade Pak Nam-ki, secretary of the WPK Central Committee, was elected at the No. 238 Changhung Constituency; Comrade So Kwan-hui, secretary of the WPK Central Committee, was elected at the No. 346 Ohyon Constituency;

Comrade Kim Yun-hyok, first vice premier of the State Administration Council, was elected at the No. 343 Tukdal Constituency; Comrade Kim Chang-chu, vice premier of the State Administration Council, was elected at the No. 195 Yangso Constituency; and Comrade Yun Ki-pok, first vice chairman of the Economic Policy Commission of the Central People's Committee, was elected at the No. 407 Munpyong Constituency. [passage omitted]

NO SIN-YONG CONCERNED WITH INCREASED TENSIONS

SK030920 Seoul YONHAP in English 0816 GMT 3 Nov 86

[Text] Suwon, Korea, Nov. 3 (YONHAP) -- South Korean Prime Minister No Sin-yong said Monday he wanted people to remember that tensions on the Korean peninsula escalated whenever North Korea, which maintains an equidistant diplomacy between the Soviet Union and China, leaned toward Moscow. In supporting his remark, based on 30 years of experience, No noted that Pyongyang recently staged a large-scale joint military exercise with Moscow for the first time in its history on Korea's East Sea and that it has begun construction of a dam near the demilitarized zone separating the two Koreas. The dam project would pose a serious threat to the security and survival of South Korea, he said. The prime minister also said that Pyongyang has never stopped building up its military forces in preparation to stage armed provocation against Seoul.

No made the remarks in a speech he delivered in this provincial city at the annual meeting on national security. The meeting opened on Oct. 31 and will continue through Nov. 22 in the nation's major provincial cities. The prime minister expressed grave concern over the growing possibility that "the communist regime of North Korea will try to instigate social unrest in the South and to obstruct the successful hosting of the 1988 Seoul Olympics."

"The North is very anxious about the success of the 1988 Seoul Olympics because it will leave them no chance of achieving its goal of unifying the peninsula under communist rule through armed provocation," he added. In view of the security situation that South Korea faces, no continued, stability in all areas, including politics, economics and social fields, is needed now more than ever if the nation is to achieve "two great tasks" -- the peaceful transfer of power and the successful hosting of the Seoul Summer Olympic Games in 1988.

No said that the recent radical student activism threatens Seoul's liberal democratic system and that the "imprudently chanted slogans" are apparently in line with North Korea's propaganda against South Korea. To rectify this situation and to promote the peaceful transfer of power and the success of the 1988 Seoul Olympics, No called for the early revision of the constitution and for the complete removal of "leftist-leaning pro-communist ideology."

LAWMAKERS BRIEFED ON MILITARY SITUATION

SK040055 Seoul THE KOREA HERALD in English 4 Nov 86 p 1

[Text] Minister of National Defense Yi Ki-paeck said yesterday that North Korea is prepared to launch a surprise attack against the South "at an opportune time."

Yi said that the North Korean regime is seeking to obstruct the 1988 Seoul Olympics and stir up social unrest in the South by brandishing a carrot-and-stick policy.

The minister made the remarks while briefing the National Assembly Defense Committee on the military situation in the Korean peninsula.

The committee was one of the six standing Assembly committees that were convened in the afternoon to review budget executions for 1985.

The current committee sessions will last until the end of this month.

Minister Yi said, "North Korea has reinforced military cooperation with the Soviet Union more than ever before, and feels encouraged to unleash military provocations against the South."

Narrowing down his briefing to the North's military movements, he said, "The North Korean regime is concentrating on establishing a system in which Kim Chong-il will take over his father Kim Il-song's power."

Military personnel and civilians are being mobilized for the construction of a large-scale dam in Mt. Kumgang, the minister said.

The North, he said, has newly inaugurated an armored corps, has developed new types of tanks and long-distance surface-to-surface missiles and has put MIG-23 fighters and Hughes-500 helicopters to military use.

The defense minister also said that the north has constructed an air base in the frontline area and has completed the construction of pits for camouflaging its military equipment.

Yi said that the government will work out appropriate measures to cope with possible North Korean attempts to conduct night surprise attacks and launch chemical and other warfare in both frontline and rear areas simultaneously.

The government will continue to improve the Seoul defense system, while maintaining thorough military preparedness to ensure a successful staging of the 1988 Seoul Olympiad, he said.

The minister said that more efforts will be made to develop the nation's independent weapons system and strengthen the self-reliance of the nation's defense industries.

Yi continued that the government will endeavor to create an international environment in which the nation retains a clear-cut military superiority over the north.

To this end, he said, the government will step up its security cooperative system with the United States and reinforce international military cooperation.

CLASSES SUSPENDED TO PREVENT STUDENT RALLIES

SK040033 Seoul THE KOREA TIMES in English 4 Nov 86 p 3

[Text] Seoul National and Korea Universities yesterday suspended classes to prevent student violence on the occasion of Students' Day. Nov. 3 was designated Students' Day to commemorate a student uprising in Kwangju, Chollanam-do, against Japanese colonialists in 1929.

The two major universities also closed their libraries, prohibiting all students from entering the campuses.

Twenty-four universities in Seoul, including Seoul National, Korea and Yonsei, conducted night searches of their school buildings Sunday and seized a number of "seditious" leaflets, petrol bombs and other items that student radicals had stocked up for use in demonstrations.

On a tip-off that students would stage a large rally on Students' Day to protest the police assault last Friday on students at five Konguk University buildings, Seoul National University decided to suspend classes and to close its library, a school official said.

Korea University held an emergency meeting presided over by its president Yi Chun-pom yesterday morning and took a similar action after being informed that a rally was to be staged on the day to revive "Chonhaknyon," National Federation of Students.

Seoul National and Korea universities put up class suspension notices on boards near the school gates and banned students' entry.

Plainclothed and uniformed policemen were deployed in the gates of the two schools yesterday morning but only school officials checked the students' entry later in the day. Only professors, school officials and graduate students were allowed in to the schools' campus.

Hundreds of plainclothed and uniformed policemen were deployed in the gates of the two schools yesterday morning but only school officials checked the students' entry later in the day. Only professors, school officials and graduate students were allowed in to the schools' campus.

Demonstrations were held in provincial cities. In Kwangju, about 300 Chonnam National University students tried to march out of their campus while chanting antigovernment slogans.

UNDERGROUND GROUP SOUGHT FOR KONGUK INCIDENT

SK040025 Seoul THE KOREA TIMES in English 4 Nov 86 p 3

[Text] Police are now directing investigative efforts to uncover an underground organization which they suspect wirepulled the Konguk University seizure protest.

Police sources said the incident was carried out by the group "Aehaktu," meaning "patriotic students committee for the struggle against alien influence and dictatorship." However, police said there is a behind force.

According to sources, "Aehaktu is only a kind of frontal action body carrying out various protests upon orders by the hidden underground organization."

According to the police, the underground commanding body was organized by members of militant student bodies such as Chamaintu and Sammintu after they were virtually liquidated because of the arrest of cadre members.

They said the commanding organization is believed to have five branches. They include the east wing covering Korea, Hansin, Konguk, and Kyonghui universities; west wing covering Yonsei, Sogang and Ewha universities; and Nambu wing covering Seoul National, Chungang, and Sukmyong universities.

Two others are the north wing encompassing Kukmin, Hansong, and Toksong universities and the Kyongin wing with the universities in Inchon and Suwon.

Sources said that the police are searching for 20 students, suspected of being deeply involved with the underground organization.

An intensive investigation is now underway on student activist Han Sok-chong, a junior at the political science department of Seoul National University.

Police are also looking for Kim Sin, 22 who is suspected of having commanded the protest after seizing five campus buildings of Konguk University.

According to police, Kim, a student of Korea University, slipped out of the Konguk campus after leading the violent protest, which was subdued by police forces Friday.

PROSECUTION ARRESTS 837 STUDENT ACTIVISTS

SK040605 Seoul YONHAP in English 0554 GMT 4 Nov 86

[Text] Seoul, Nov. 4 (YONHAP) -- The Seoul district prosecutor's office Monday formally arrested 837 radical student activists who took part in the massive four-day demonstration at Konguk University here last week. It was the largest mass arrest ever in South Korea. Another large arrest is expected to follow, in accordance with a decision made Monday by the prosecution to formally arrest those given warrants. Those arrested Monday night are among 1,274 radical students, including 482 coeds, against whom the prosecution has sought arrest warrants for their involvement in the sit-in at the university.

The anti-government, anti-American demonstration, the largest and most violent of its kind in South Korea, was broken up last Friday by police. The demonstration caused an estimated 2.1 billion won (2.4 million U.S. dollars: one dollar is worth about 875 won) in damages to Konguk University.

The prosecution Monday booked eight demonstrators who surrendered to police and released another 192 who were inadvertently trapped in the five occupied buildings on campus during the protest. Commenting on the riot, senior prosecutor Choe Sang-yop said, "They vandalized the school facilities and set them on fire while shouting slogans identical to those spewed by communist North Korea."

The prosecution will thoroughly investigate the nature of the "Aetuyon," the group prosecutors believe masterminded the demonstration, Choe Said. "Aetuyon" stands for "The National Patriotic Students League To Struggle Against Outside Forces and Dictatorship." The students obviously supported North Korea's scheme to communize the peninsula by force, as evidenced by the leaflets they produced and distributed, Choe added. The prosecution also noted that one of the students' illegal leaflets contained a direct quote from a North Korean propaganda musical titled "Pibada" (sea of blood).

KIM YONG-SAM INTERVIEWED ON POLITICAL SITUATION

SK030950 Seoul TONG-A ILBO in Korean 31 Oct 86 p 9

[Article by reporter Choe Maeng-ho on interview given by Kim Yong-sam, standing adviser to the NKDP, with TONG-A ILBO prior to his departure for Europe on 31 October]

[Excerpts] NKDP standing adviser Kim Yong-sam seemed to be feeling uncomfortable even on 31 October when departing for Europe to participate in a meeting of the Christian leaders of the world held in Bonn, West Germany, because of the political situation in the country.

This uncomfortable feeling must stem from many problems complicating the political scene, such as the issue of constitutional revision, the arrest of lawmaker Yu Song-hwan, demonstrations on the college campuses, the resignation of the floor leader, and some lawmakers' assertions about renovating the party.

Therefore, adviser Kim had to meet Kim Tae-chung, cochairman of the Council for Promotion of Democracy, and NKDP party officials and lawmakers to exchange views on ways to deal with the political situation during his absence.

[Reporter] We hear that there are some in the party who are opposed to your European trip.

[Kim Yong-sam] This meeting is one of Christian leaders, participated in not only by the European countries, but by the Asian, Central American, and African countries as well. The meeting provides us an opportunity to let the world know the truth about the ROK. I think that our winning liberal democracy will be accelerated when the world takes an interest in the ROK. Moreover, we have neglected Europe, and West Germany is a country where liberal democracy has proven its superiority in its confrontation with communism. [passage omitted]

[Reporter] The activity of the National Assembly Special Committee for Constitutional Revision is in a state of suspension. Do you think constitutional revision through an amicable agreement will be possible?

[Kim] We cannot abandon it. We have to make consistent efforts for it. The present regime should make a bold decision. It should follow the road which the absolute majority of the people support. It should obey the opinions of the people, who are the kings. The DJP should not think of this as surrendering, but should follow the will of the people. Our proposal for an optional national referendum is to urge it to follow the people's will.

Adviser Kim said that if the law on national referendum and the law on the election management committee are revised, thereby allowing the political parties to observe the voting and ballot-counting processes, and to have freedom of publicity and a guarantee for fair elections, the people's will be accurately reflected. He went on to say that if the people were to support the parliamentary cabinet system under such conditions, the NKDP would have to follow the people's will. However, he flatly stated that the people will not choose the parliamentary cabinet system.

Adviser Kim again stressed his typical view of the political situation, saying: "The current political situation is undoubtedly difficult. But I am neither optimistic nor pessimistic."

[Kim] The most important thing in conducting politics is to give hope to the people and to make them believe. If the people have firm hope, they can endure any hardships. The people have to be made to believe the government. One cannot stand without belief, as the Analects of Confucius says. It is most important for our people to have belief and hope that they will be able to win democracy. Frustration and disappointment will invite misfortune. The present regime, however, is lacking in such belief. This is unfortunate.

[Reporter] If the ruling party adopts the optional national referendum as an agenda item for the National Assembly Special Committee for Constitutional Revision, will the operation of this committee be normalized?

[Kim] We do not know whether the government and the ruling party will accept such a plan. However, if they propose discussing it, I think the opposition party will have to agree to it. We have to progressively consider the operation of the National Assembly Special Committee for Constitutional Revision.

[Reporter] Do you mean, in that case, that problems such as amnesty and reinstatement, release of detainees, and dialogue between those who hold real power should be dealt with separately?

"It should not be dealt with separately. We should make an effort so that they are realized concurrently," adviser Kim replied briefly. He stressed that the case of the arrest of lawmaker Yu should be solved politically, adding that arresting and detaining a lawmaker who has the privilege of immunity is an act that convinces few people in the world.

[Reporter] What will be the course of action for the NKDP to take in case an amicable agreement for constitutional revision turns out to be impossible?

[Kim] We should make efforts to make it possible. The DJP will not deal with the bill for constitutional revision the way it did with the motion for the arrest of lawmaker Yu, for this will make the people angry, and the controversy over the legitimacy of the present government will become many times fiercer than it is now. Force is not a good method to employ. It may lead the situation to an uncontrollable state. As Jefferson noted, it would be like a beast if the majority in form tramples the minority not by justice but by injustice and lack of conscience.

[Reporter] It seems unlikely that the DJP will accept the bill for constitutional revision for direct presidential elections.

[Kim] Politics always possess变ability. Let no one make an absolute conclusion.

[Reporter] Will an amicable agreement on a parliamentary cabinet system be impossible?

[Kim] If that is a way to save the country from a crisis, we may have to agree to it. However, the parliamentary cabinet system which the present ruling party has put forward can never save the country. Among other things, it cannot overcome the controversy over the legitimacy of the present government. The yearning of the great majority of people is that "we should elect the president directly." The people will believe in the president they elect themselves, and a president so elected will not oppress the people. The radical students will decrease in number. Without a base in political parties, the parliamentary cabinet system will not grow. [paragraph continues]

The root of political parties is the provincial autonomy system, which has not even been implemented.

[Reporter] Do you have any other plan for an amicable agreement on constitutional revision?

In lieu of an answer to this question, advisor Kim explained the Seoul rally to be hosted by the NKDP.

[Kim] I think we should demonstrate our firm will and confidence that we will realize democratization. For this reason, we have decided to hold the Seoul rally around 22 November, immediately after my return from the trip. I am confident that the rally will be held peacefully. It does not make sense to say the Seoul rally will cause great confusion. In fact, a mass rally is not necessary in a democracy. We need one because democracy has not been implemented. We should have democracy established at an early date so that we may bring an end to the "politics of mobilization" and head toward parliamentary democracy.

[Reporter] What about the possibility of postponing the National Assembly Special Committee for Constitutional Revision and the political timetable?

[Kim] If the presidential election and the elections of the National Assembly are held by October or November next year with a democratic environment well guaranteed, the time limit for the constitutional revision can be postponed until next spring. If democracy is guaranteed, the people will be generous enough to tolerate the postponement of the political timetable for a few months.

[Reporter] The NKDP strategy for constitutional revision is said to be inconsistent.

[Kim] I do not think the opposition party is flawless. We should frankly admit our own shortcomings. In particular, the incident of lawmaker Yu was an unexpected development which adversely affected our strategy for constitutional revision.

[Reporter] The current political situation seems to be characterized not by dialogue and mutual concessions but by confrontation.

[Kim] Those conducting politics should respect the other party. The NKDP and the DJP should respect each other. I proposed five-person talks to ensure respect for each other. However, I do not intend to beg them for it. Talks are an important part of politics, and the five-person talks, in particular, are a way to find a solution to the problem.

[Reporter] In connection with the talks between the leaders of the ruling and opposition parties, will you accept the proposal for talks between yourself and DJP chairman No if it is a bridge leading to talks between the president and yourself?

[Kim] I have not thought of it that way. President Yi Min-u can meet and talk with Chairman No Tae-u.

[Reporter] Don't you think that the DJP leadership ought to be filled by those who hold real power? Some seem to be calling for an early national convention of the party and the renovation of the party.

[Kim] Let us not discuss that. The most important thing for the opposition party at present is unity. The ruling party, toward the end of its power, often attempts to split the opposition party. We should not leave ourselves vulnerable to such maneuvers.

[Reporter] What is your position as a politician over Cardinal Kim Su-hwan's remarks in Rome? What is your relationship with Cochairman Kim Tae-chung of Tonggyo-tong?

[Kim] Cardinal Kim's remarks came from his care for the country, and I think it is good advice. You do not have to worry about my relationship with Cochairman Kim. To repeat it again, since my hunger strike in 1983, I have eliminated fear of death and my mind has become humble. My duty is to do my best for the democratization of this country. My heart is often troubled because everything is so hard to accomplish, but realizing democracy is like a religion for me.

[Reporter] Some people say that the slogans and assertions of a small number of radical college students are "communist-sympathizing and leftist."

[Kim] I should say that the students have become leftist and radical because of the endlessly repeated disappointments and frustrations. The best remedy to solve this problem is liberal democracy. Democracy is the way to anticomunism.

When the reporter asked if the situation on the college campuses is worrisome from the viewpoint of a leader or a conservative political party, and if some decision should be made as to this issue, adviser Kim did not give an immediate reply.

The campus situation seemed to worry adviser Kim, who was leaving on his overseas trip.

MPRP DISCUSSES BATMONH-HONECKER MEETING

OW031408 Ulaanbaatar MONTSAME in Russian 1441 GMT 1 Nov 86

[Text] Ulaanbaatar, 1 Nov (MONTSAME) -- Having examined the results of the talks between Comrades J. Batmonh and Erich Honecker held during the official friendly visit to the MPR from 26 to 28 October 1986 by Honecker, general secretary of the SED Central Committee and chairman of the GDR State Council, the MPRP Central Committee noted that the talks -- which were held in an atmosphere of cordiality and fraternal friendship and in a spirit of complete mutual understanding -- were important in the further strengthening and enrichment of the relations between our two parties and states.

The MPRP Central Committee especially emphasized that the agreements reached during the talks on issues of joint cooperation as well as the long-term program signed during the visit for expanding economic, scientific, and technical cooperation for the period up to the year 2000 in conformity with the provisions of the 1977 MPR-GDR Treaty of Friendship and Cooperation opens prospects for further extending and deepening the comprehensive relations between our two parties, states, and nations. The international significance of this program lies in its aim of further extending and deepening socialist economic integration in accordance with the decisions of the CEMA economic summit conference and the comprehensive scientific-technical progress program for these CEMA countries up to the year 2000.

The talks between these two leaders once again confirmed the full unity of views and positions of the MPRP and SED as well as the MPR and GDR Governments on all current issues of social development and international life. Additionally, the results of the talks are an important contribution to the cause of strengthening the unity and solidarity of socialist community countries, increasing their fruitful cooperation, and consolidating the peace and security of nations.

The MPRP Central Committee approved the results of the talks between Comrade J. Batmonh, MPRP Central Committee general secretary and chairman of the MPR People's Great Hural Presidium, and Comrade Erich Honecker, SED Central Committee general secretary and chairman of the GDR State Council.

Appropriate organs have been instructed to outline concrete measures for implementing the agreements on issues of cooperation between the two countries, the long-term program of economic, scientific, and technical cooperation between the MPR and GDR during the period up to the year 2000, and other agreements reached by Comrades J. Batmonh and Erich Honecker.

VOPB: BURMA COMMUNIST PARTY REPORT CONTINUED

BK260841 (Clandestine) Voice of the People of Burma in Burmese 1200 GMT 25 Oct 86

[*"Continuation of the political report of the Burma Communist Party Central Committee presented at the third national party congress"*]

[Text] The revolution in Burma:

The characteristics of Burmese society prescribe the character of the revolution in Burma. Since Burmese society is semicolonial and semifeudal, the revolution in Burma is a people's democratic revolution against imperialism, feudal landlordism, and bureaucratic capitalism. It is a revolution that is headed by the proletariat through the Burma Communist Party, founded on the alliance of the working class and the peasantry, and includes the participation of all revolutionary classes. It is also a part of the revolution waged by the world proletariat. The task of our revolution is to abolish imperialism, feudal landlordism, and bureaucratic capitalism, which oppress and exploit the people of all nationalities in Burma; to smash completely the military government, which represents these three evils; and to establish a people's democratic republic after scoring a nationwide victory for the people's democratic republic after scoring a nationwide victory for the people's democratic armed revolution. The republic to be established will in essence be a dictatorship of the proletariat.

The Burmese revolution faces a strong enemy supported by international reactionaries and imperialists. The armed revolution is fighting an armed counterrevolution. Our armed forces are going through a process of slow and gradual development from a have-not to a have stage, from a weak to a strong phase. For this reason, the armed revolution is not only protracted but also difficult, tortuous, and strewn with twists and turns. All sorts of sacrifices must be made if we are to attain victory. If we err in our line, policy, and directives, we may even face defeat. Over 36 years of armed revolution in Burma proves this fact.

The revolutionary line in Burma is to take the rural areas as bases, encircle the cities from the rural areas, and seize the state power. Once, someone suggested the strikes-and-rebellion line, which entails instigating in the cities workers' economic strikes as well as political strikes and boycotts and coupling them with the armed revolution to seize the state power. That revolutionary line was rejected, however, because it is appropriate only in developed capitalist countries and is not practical in semicolonial and semifeudal countries like Burma.

The experiences of the protracted struggle have shown that Burma's revolutionary line of taking the rural areas as bases, gradually encircling the cities from those rural bases, and then seizing the state power is the only correct way. Our party must advance with firm conviction along this line until victory is achieved nationwide. But in the course of the people's democratic revolution, there may be times when we may have to choose a (?shorter route) because of the changing situation of the enemy at home, changing international conditions, or the changing status of the alliance. The character of the people's democratic revolution throughout such a process will, however, remain the same.

The highest goal of our party is to establish in Burma a classless communist society that is free from exploitation of man by man. From an overall viewpoint of this revolutionary process, our revolution has two phases. The first, or current, phase is a people's democratic revolution, and the second phase is the socialist revolution. They are not two separate stages but interwoven parts of a continuous revolution. The current phase is an essential preparatory stage for the socialist revolution, and the second phase must be the envisaged objective of the first phase. The two are different revolutionary stages with different natures. The second revolutionary phase can only follow the first. Thus, we must not confuse the revolutionary tasks of the two phases. We cannot simply carry out the first phase and refuse the tasks of the second revolutionary phase.

The great and glorious revolutionary task of all the members of our party is to complete the task of the people's democratic revolution and make essential preparations for the progress of the socialist revolutionary phase. In Burma, there is no party except ours that can successfully accomplish this historic task. Our party has been carrying out this task for the past 45 years, since its inception, and will continue to do so for generations until that task is accomplished.

'DOCUMENTARY ARTICLE' ON PRK-USSR COOPERATION

BK040758 Phnom Penh Domestic Service in Cambodian 0430, 2300 GMT 1 Nov 86

["Documentary Article on PRK-USSR Cooperation Agreements From the 7 January 1979 Liberation to 1985"]

[Text] 1. Agreement on free delivery of products from the Soviet Union to the PRK in 1979, signed in Moscow on 27 December 1979.

2. Agreement between the PRK Government and that of the USSR on free delivery to the PRK of aviation material for 1979-80, signed in Moscow on 27 December 1979.

3. Agreement between the PRK and USSR Governments on air transport, signed in Moscow on 16 July 1979.

4. Agreement on unconditional delivery of products from the USSR to the PRK in 1979, signed in Moscow on 16 July 1979.

5. Agreement on free delivery of products from the USSR to the PRK in 1980, signed in Moscow on 5 February 1980.

6. Agreement between the PRK and USSR Governments on the first economic and technical assistance to the PRK in restoring economic structures and implementing various tasks, signed in Moscow on 5 February 1980.

7. Agreement on the cultural and scientific cooperation between the PRK and USSR Governments, signed in Moscow on 5 February 1980.

8. Agreement on delivery of non-refundable Soviet assistance in the form of technical material and equipment and material for public use to the PRK in 1980-81, signed in Moscow on 25 January 1980.

9. Trade agreement between the PRK and USSR Governments, signed in Moscow on 5 February 1980.

10. Protocol setting up the Soviet trade representative's office in the PRK, signed in Moscow on 5 February 1980.

11. Agreement on economic and technical cooperation between the PRK and the USSR Governments, signed in Moscow on 5 February 1980.

12. PRK-USSR declaration, signed in Moscow on 5 February 1980.

13. Agreement between the PRK's People's Revolutionary Council and the USSR Government on assistance to the PRK in training specialists and technicians, signed in Phnom Penh on 14 November 1980.

14. Agreement between the USSR and PRK Governments on the rebuilding of national bank structures, signed in Phnom Penh on 11 October 1980.

15. Arrangement between the Soviet bank for foreign trade and its PRK counterpart for settling accounts and bookkeeping concerning export products in exchange for imports, signed in Phnom Penh on 2 July 1980.

16. Agreement on additional assistance of 1 million rubles for organizing Kompong Som port and repairing railway lines, roads, and telephone network, signed in Phnom Penh on 1 April 1980.

17. Agreement on non-refundable assistance to the PRK on the use of and guarantee for all passenger planes and helicopters, signed in Moscow on 28 December 1980.

18. Protocol on talks between (Ya-Ekspress) Company and KAMPEXIM [Kampuchean Export-Import Company], signed in Phnom Penh on 15 December 1980.

19. Agreement between the PRK and the USSR on assistance to the PRK in setting up a state organization for construction, signed in Phnom Penh on 13 February 1981.

20. Agreement between the PRK and the USSR on assistance to the PRK in cotton growing, signed in Phnom Penh on 13 February 1981.

21. Tripartite agreement between the PRK, the USSR, and the SRV on agreements regarding all reconstruction and construction works in the PRK according to projects planned in various PRK-USSR agreements, signed in Phnom Penh on 1 March 1981.

22. Arrangement between the USSR foreign trade bank and its PRK counterpart in the accounting and bookkeeping of funds planned in the agreement dated 9 January 1981.

23. Consular convention between the PRK and the USSR, signed in Phnom Penh in December 1981.
24. Memorandum on basic goals for the development of economic and trade cooperation for the period extending to 1985, signed in Moscow at the end of December 1981.
25. Protocol on assistance in rebuilding a number of projects, signed in Phnom Penh at the end of January 1982 by Comrade Ti Yav and Mineyev, chief of the Soviet State Committee for Foreign Economic Relations [prathean kanak kammathika rath soviet khang ka teak tong sethakich chea muoy barates].
26. Protocol on missions of the delegation from the Oriental Institute of the Soviet Academy of Sciences and the PRK Education Ministry, signed in Phnom Penh on 30 January 1982.
27. Agreement on PRK-USSR economic cooperation for 1982-85, signed in Moscow on 5 July 1982.
28. Program of cultural and scientific cooperation between the PRK and USSR Governments for 1982-83, signed in Moscow on 10 May 1982.
29. Agreement on cooperation between the Soviet Radio Broadcasting Committee and the Voice of the Cambodian People radio, signed in Moscow at the end of April 1982.
30. Agreement between the PRK and USSR Governments on trade exchanges and settling of accounts for 1982, signed in Phnom Penh on 26 May 1982.
31. Agreement on (?tax) exemption between the PRK and the USSR.
32. Protocol on tasks of specialists from the Soviet Health Ministry during their stay in PRK.
33. PRK-USSR agreement on trade exchanges and settlement of accounts from 1983 to 1985, signed in Moscow on 4 February 1983.
34. List of goods to be imported from the Soviet Union for 1984, signed in Moscow on 4 February 1983.
35. Agreement on future consolidation of cooperation in physical culture and sports between the State Committee for Physical Culture and Sports under the USSR Council of Ministers and the Ministry of Information and Culture of the PRK, signed in Moscow on 12 September 1983.
36. Protocol on cooperation in sports between the State Committee for Physical Culture and Sports under the USSR Council of Ministers and the Ministry of Information and Culture of the PRK, signed in Moscow on 12 September 1983.
37. Draft agreement on cooperation with the USSR Ministry of Health.
38. Program of cultural and scientific cooperation between the PRK and USSR Governments for 1982-83, signed on 10 May 1982.
39. Program of cultural and scientific cooperation between the USSR and PRK Governments for 1982-83.
40. Draft agreement between the PRK and USSR on the establishment of intergovernmental committee for cooperation in the fields of trade, the economy, and science and technology.
41. Addendum to the 5 February 1980 agreement on economic and technical assistance in the restoration of economic structures and implementation of various tasks.
42. Program of cultural and scientific cooperation between the PRK and USSR Governments for 1984-85, signed in Phnom Penh on 14 May 1984.
43. Additional Commitment No 10 of Commitment No 86/0/50/14,200, signed on 13 January 1984.
44. Additional Commitment No 11 of Commitment No 86/0/50/1,420, dated 13 January 1981.
45. Memorandum of the conference of representatives of book publishing organizations of the PRK, LPDR, Soviet Union, and SRV.
46. Draft agreement between the PRK and USSR Governments on economic and technical assistance to the PRK in national economic restoration and other tasks.
47. List of goods supplied to the Soviet Union in 1984.
48. List of goods the Soviet Union provided the PRK in 1984.
49. Second protocol of the agreement between the PRK and USSR Governments dealing with the trade exchanges and settling accounts from 1983 to 1984.
50. Addendum No 1 dated 29 September 1983 to Commitment No 55/180/23,000.

51. Addendum No 2 dated 20 December 1983 to Commitment No 55/180/23,000.
52. Protocol on the meeting between the minister of education of the PRK and Comrade Borisov, representative of the Soviet Ministry of Higher and Secondary Specialized Education, during his working visit to the PRK 16-30 July 1984.
53. Agreement between the PRK and USSR Governments on the establishment of intergovernmental committees for trade, economic, and scientific and technical cooperation between the PRK and the USSR.
54. Statute of the intergovernmental committees for trade, economic, and scientific and technical cooperation between the PRK and USSR.
55. Plan of cooperation between the USSR Foreign Ministry and PRK Foreign Ministry for 1984-85.
56. Program of cultural and scientific cooperation between the USSR and PRK Governments for 1984-85, signed in Phnom Penh on 14 May 1984.
57. Addendum No 8 of Commitment No 55/0/60/18,100, dated 15 November 1980.
58. Certificate handing over the Cambodian-Soviet Friendship Institute of Technology.
59. Commitment No 86/0/54/03,500, dated 11 June 1984 at the Ministry of Industry.
60. Copy of agreement between the USSR Ministry of Health and the PRK Ministry of Health for 1984-85.
61. Draft protocol on equivalence of educational diplomas and scientific degrees between PRK and the Soviet Union.
62. PRK-USSR relations in 1984.
63. Memorandum of a delegation of the Soviet Maritime Fleet Ministry on its stay in the PRK.

SIHANOUK INTERVIEWED ON POSSIBLE KPRAF DEFECTS

BK030231 Bangkok BANGKOK POST in English 3 Nov 86 p 7

[From the "Kampuchean Diary" column by Jacques Bekaert: "Sihanouk: Heng Samrin Troops Likely To Defect"]

[Text] New York -- Several units of the Kampuchean People's Republic Armed Forces (KPRAF or Heng Samrin Army) are about to join the ranks of the National Sihanoukist Army (ANS), Prince Sihanouk said in a recent exclusive interview. "I have indirectly been in touch with several commanders of the KPRAF, as well as with members of the Phnom Penh administration," Sihanouk said during a four-hour conversation at his hotel in New York. The Prince is in America to attend the 41st General Assembly of the United Nations.

"I told the KPRAF soldiers and the people inside Kampuchea that a general uprising was out of the question. It would only lead to a bloodshed. To the soldiers I suggested it was better to discreetly leave their Vietnamese allies. But I also told them to wait for the proper time to do it."

Prince Sihanouk said that for obvious security reasons he could not give a date for the mass defection, but added: "It should take place within the next few months. I have also made some arrangements with Mr Khieu Samphan in order to ensure the cooperation of the National Army of Democratic Kampuchea (NADK or the Khmer Rouge)."

Mr. Khieu Samphan, a senior leader of Democratic Kampuchea, and the deputy president of the coalition in charge of foreign affairs, promised that his troops will "let the KPRAF defectors go through DK lines without problems."

In the past, Prince Sihanouk claimed, Heng Samrin soldiers who wanted to defect to the nationalists were sometimes blocked on their way to the border by Khmer Rouge elements. Some were forced to join the NADK. The Prince took advantage of a press conference in Peking a few weeks ago to publicly ask Mr Khieu Samphan to assist his own soldiers to go deeper inside Kampuchea.

"I told Khieu Samphan that soon the ANS will have an extra 2,000 fighters. They are well armed and well trained. My son, Prince Norodom Rannarit wants to send them to new provinces and I agreed with him," the Prince said.

"The additional troops should go to the provinces of Pursat, Kompong Thom, Kompong Speu and Kompong Chhnang. I asked Mr Khieu Samphan: Can my men go with yours? He accepted."

In the past, Sihanoukist leaders have frequently complained that their troops were prevented from going much deeper than the three western provinces of Siem Reap, Battambang and Oddar Meanchey by DK forces. "Maybe they were jealous of the popularity of the soldiers of Samdech Euv. But I told Khieu Samphan we are not in competition, we are fighting together."

Prince Sihanouk said he was much more optimistic than in the past. His health is definitely better, and "Vietnam seems to be more isolated than before."

"I believe that our eight-point proposal has convinced a lot of people of our sincerity and of our will to negotiate and be flexible. Hanoi's position is increasingly hard to defend, especially after the eight-point proposal. There is also a new atmosphere between China and the Soviet Union. Chinese officials have told me that for the first time the USSR accepted to speak about Kampuchea with China, even if the Soviet's answer is still unsatisfactory and has brought no results so far."

Like Prince Sihanouk, most experts agree that China is very serious about the Kampuchean question and has made it extremely clear to Moscow.

Regarding the internal conflict that has been rocking the Khmer People's National Liberation Front (KPNLF) for almost a year now, Prince Sihanouk said he recently suggested to his prime minister, Mr Son Sann to be "tolerant".

"National salvation is more important than personality problems" the Prince said to Son Sann, president of the KPNLF. "But Mr Son Sann explained that he could never accept the return of Dr Abdul Gaffar Peang Meth to the ranks of the KPNLF."

"I like Mr Son Sann," Prince Sihanouk said. "He was my professor, long time ago. He did a lot for Kampuchea before 1970 and I will never forget that. Even if I believe that today he is a bit too inflexible." Chinese officials also told Prince Sihanouk that Mr Son Sann should preside over the reconciliation within the KPNLF rather than take a partisan approach.

However, a solution to the KPNLF's factional struggle does not appear possible for the time being. General Sak Sutsakhan, the KPNLF commander-in-chief and chief of staff recently appointed a four-man committee to supervise the front's military operations. In charge of operations is Colonel Pan Thai, the man responsible for the "Red Berets." Colonel Chak Bori for administration and supply, Iev Chhor Kim Meng for instruction and Mr Hing Kunthon for civilian affairs are the three other members of the new committee, with ranks of "deputy chief of staff." Dr Gaffar and Penn Thoul now belong to the office of the commander-in-chief.

Prince Norodom Sihanouk is expected to visit France early this month, where he will have a meeting with President Francois Mitterrand. Prime Minister Jacques Chirac will host a dinner in his honour. Prince Sihanouk will also talk to Foreign Minister Pierre Raymond. [name as published]

"France told me very firmly that it will never recognize the Heng Samrin regime," the Prince said.

Next year, in February and March, Prince Sihanouk will visit Gabon, Oman, Togo, Italy, Rumania and Yugoslavia -- all countries where he has been formally invited.

Next September he will once again come to a liberated zone of Kampuchea, stay in Thailand, and visit all the other ASEAN countries.

KHIEU SAMPHAN GREETS SIHANOUK ON BIRTHDAY

BK020214 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 1 Nov 86

[30 October Message from DK Vice President Khieu Samphan to DK President Samdech Norodom Sihanouk on latter's 65th Birthday]

[Text] To Samdech Norodom Sihanouk, president of Democratic Kampuchea, Paris: On the samdech's 65th birthday, on behalf of cadres, male and female combatants of Democratic Kampuchea, and in my own name, I would like to wish you good health and longevity so that you continue to be the precious symbol of our great national unity. In the samdech's role as president of Democratic Kampuchea, the samdech has played a very important role in forging great national unity among all Cambodians in our national resistance struggle against the Vietnamese aggressors. The samdech has received high respect from the entire Cambodian nation.

On this solemn occasion, I would like to affirm to the samdech that you are currently president of Democratic Kampuchea and, in the future, our nation will continue to consider the samdech as Cambodia's president to ensure our great national unity within the framework of an independent, united, peaceful, neutral, and nonaligned Cambodia in accordance with our 8-point peace plan, which our entire nation has considered as its constitution.

Please accept my highest and respectful consideration.

[Dated] Democratic Kampuchea, 30 October 1986

[Signed] Khieu Samphan, vice president of Democratic Kampuchea in charge of foreign affairs.

SRV BOATS AMBUSHED IN PURSAT, BATTAMBANG

BK040219 (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian 2315 GMT 3 Nov 86]

[From the "Report From Various Battlefields" feature]

[Except] [Passage omitted] On 28 October, the Vietnamese enemy sent 80 boat-loads of soldiers from Reang Til and Stoeng Pursat to try to retrieve bodies of their comrades killed in our attack on 25 October along the road from Pou village to Reang Til in Bakan District, Pursat Province. They were ambushed by our forces. We killed 8 and wounded 8 Vietnamese enemy soldiers; destroyed 26 assorted weapons, 12 boats, and some war materiel; and seized 2 boats and some war materiel. On 31 October, we ambushed 30 boat-loads of Vietnamese soldiers at Prey Tras along the Tonle Sap River in Moung District, Battambang Province. We killed 5 and wounded 4 Vietnamese enemy soldiers and destroyed 14 assorted weapons, 5 boats, and some war materiel. [Passage omitted]

DELEGATION TO VISIT VIENTIANE 27-29 NOVEMBER

BK040221 Bangkok BANGKOK POST in English 4 Nov 86 p 1

[Text] The Thai delegation to Laos is scheduled to be in Vientiane from November 27-29, Foreign Ministry officials said yesterday.

Laotian officials said last week that they were ready to receive the Thai delegation, to be led by ministry adviser Arun Phanuphong, after November 25.

The ministry said it had also set that date because Foreign Minister Sitthi Sawetsila is expected to return from China between November 21-25.

ACM [Air Chief Marshal] Sitthi is expected to brief the delegation on the positions Moscow and Beijing are taking about improved ties.

A Laotian delegation will visit Thailand after the Vientiane talks but the date has yet to be fixed, said the officials, and ACM Sitthi will decide when to visit Vientiane when the results of both visits have been assessed.

The officials said the exchanges are the first time both sides have seen the need for improved ties and that their intentions coincide.

Issues likely to be discussed include cross border trade, check points and refugees.

Lao Envoy on Joint Ventures

BK040247 Bangkok THE NATION in English 4 Nov 86 p 3

[Text] Laos may soon welcome Thai businesses to invest in retrieving timber from the forests inundated by water in the Nam Ngum Dam, north of Vientiane, Lao Ambassador Khamphan Simmalavong told THE NATION yesterday.

Some sort of joint ventures between the Lao state and Thai investors are possible, with the Lao state holding at least 51 percent of shares, ambassador said.

Such joint ventures may also take part in developing the vast forests of Laos and producing timber for the mutual benefit of the two countries, he said.

Thai and Lao officials are still preparing for a visit of a team of senior Thai officials to Vientiane later this month.

The talks in Vientiane will try to find solutions to problems between the two countries, starting with the "smaller problems" that can be resolved by participants in the talks, Ambassador Khamphan said.

Senator Arun Phanuphong, adviser to the premier on foreign affairs, is expected to lead the Thai team in the talks.

The Lao ambassador met with officials of the Political Department of the Foreign Ministry to discuss the agenda for the talks and arrange the schedule for the visit last week. The Thai ambassador in Vientiane, Chaiya Chindawong, has also been in touch with the Lao Foreign Ministry to do the same.

Chaiya, contacted by phone, told THE NATION last night that the two sides will only discuss ways and means to promote bilateral trade and contacts between the two people across the Mekong River. He said if the meeting in Vientiane turns out satisfactory, the ministerial meeting will be held within two or three weeks in Thailand.

An informed source told THE NATION Laos wants to discuss the revocation of the trade restrictions which prohibits the export to Laos 273 items classified by the National Security Council as "strategic goods."

Laos also wants Thailand to release goods impounded by the Thai customs and expedite the transport of goods in transit to Laos via Thai ports, the source said.

One conspicuous item among the impounded goods is a 32-ton iron boat donated to Laos by the Soviet Union. The boat arrived in the early 1980s, supposedly for use in the construction of a bridge across the Kading River, south of Vientiane. However, it has been impounded by the Thai authorities because the Thai Government believed the boat will be used in some military purposes.

Ambassador Khamphan declined to comment on any issues that will be raised by Laos in the talks, saying only issues that both sides want to talk will be raised.

"Our first concern is to promote friendship between the two countries; other issues are of secondary importance," he said.

"If our relations are good, everything else can be improved," he added.

AIR FORCE OFFICIAL ON ACTIVITIES AT BORDERS

BK310814 Bangkok Domestic Service in Thai 1300 GMT 27 Oct 86

[Statement by Air Force Secretary Air Marshal Sommut Sunthorawet -- recorded, date and place not given]

[Text] The Air Force sent aircraft to attack two targets in the vicinity of O-Bok Pass in Ban Kruat District of Buriram Province. The bombardments were very violent. We hit the targets. The Suranari Force later recaptured the area and discovered that the enemy had suffered heavy casualties. The enemy used anti-aircraft artillery and SAM-7 rockets were fired at our aircraft from the Cambodian border area. Our pilots managed to fly back to their base safely.

The Air Force conducts regular aerial patrols along the Thai-Cambodian border to detect movements and locate the presence of enemy troops. Air Force aircraft escort Army helicopters delivering supplies and equipment to ground units in Nan Province, take aerial photos of forested areas, and help prevent timber poaching in Suwannakhuha District of Udon Thani Province and northeastern part of Loei Province.

From the middle of September to the middle of October, the radar of the Air Force's defense system detected numerous moving objects both inside and outside the country. None of them appeared to violate Thailand's sovereignty. No fighters were sent up to intercept. The objects detected outside the country were believed to be various types of planes such as TU-134, YAK-40, AN-12, AN-26, and helicopters such as MI-8 and MI-24.

On 3 October, the Air Force radar station detected activities at Vientiane airport, presumably flight training for MIG-21's. The monitoring station in Udon Thani Province together with the Aerial Operations Center ordered aircraft to fly defense and patrol flights along the road linking Udon Thani, Si Chiang Mai, and Nong Khai.

PREM DISCUSSES COMMERCE MINISTER, ECONOMY

BK010401 Bangkok BANGKOK POST in English 1 Nov 86 pp 1, 3

[Text] Prime Minister Prem Tinsulanon said yesterday that he did not want to comment on the fate of Commerce Minister Surat Osathanukhro but noted that a minister should only follow government policy, not make it.

The statement was clearly an attempt by Gen Prem to distance himself from the minister, who early last month survived a no-confidence vote against his approval of the import of illegal logs from Burma.

Asked what will happen to Pol Capt [Police Captain] Surat, Gen Prem told a press conference at Government House that the question was a tempting one but he did not want to risk a confrontation.

"The Government will stand by what is right and will do only the right things," Gen Prem said without elaborating.

Pol Capt Surat has been under growing pressure from the military as well as Parliament to resign from the post over the controversy, even though he technically survived the no-confidence vote.

Asked again whether the uncertainty over Pol Capt Surat's fate affects the Government's rice policy, Gen Prem said all policies on agricultural commodities are formulated by the Council of Economic Ministers or committees assigned by the Cabinet. The Commerce Minister, he said, only carried out policies spelled out by the Government.

"The Commerce Minister is not the person who outlines policies," he said. "The Commerce Minister cannot formulate policies the way he likes. He has to follow the policies laid down by the Government."

Turning to the paddy issue, Gen Prem said the Government has yet to decide whether it should guarantee paddy prices, adding that the decision will be made by the Council of Economic Ministers on Monday. He said it is uncertain whether the price guarantee will work because the Government has guaranteed paddy prices in some years and not in others but paddy prices remain low.

Describing the present economic conditions as healthy and satisfying, Gen Prem said measures aimed at controlling government spending and foreign debt must be continued to preserve stability.

The Prime Minister kicked off the press conference by saying that the economy is performing satisfactorily, with an expected growth rate this year of over four percent -- higher than several other countries in the region.

He said the performance of the economy indicated that the policies which have been implemented are effective. Despite the brighter economic outlook, he said, the Government must continue with policies which stress frugality.

He said the government cannot be expected to throw in large amounts of money to projects to create more jobs, but added that commercial banks, which have an excess liquidity of 40,000 million to 50,000 million baht, must channel the money to private investment projects.

Board of Investment [BOI] secretary-general Chira Phanuphong said 160 projects were registered with the BOI during July to October compared with only 147 projects in the first six months of this year.

Gen Prem admitted that a good investment climate comes from a stable political situation and strong purchasing power. He assured investors that Thailand has a large enough domestic market to absorb higher production.

Gen Prem then reaffirmed government support for the Eastern Seaboard Development Programme which, he said, will create more jobs and boost the country's export capability. He stressed that the Government will invest in infrastructure such as ports, electricity, water pipelines and roads, but that the investment projects must be initiated and carried out by the private sector.

The Government last month gave final approval to multi-million-baht projects to build a deep-sea port, an industrial estate, a water pipeline and a railroad at Laem Chabang. Gen Prem said the deep-sea port should be run by private firms to make it efficient.

He then turned to the fertiliser project, saying that since the Government has only a 33 percent share, the final decision on whether the project should proceed will be made by the National Fertiliser Corporation.

ISOC TO RESTRUCTURE INTELLIGENCE SERVICE

BK031034 Bangkok NAEQ NA in Thai 3 Nov 86 p 3

[Text] Army Commander in Chief General Chawalit Yongchayut, in his capacity as director of the Communist Prevention and Suppression Command, has recently instructed the Internal Security Operations Command, ISOC, to restructure intelligence service at all levels. The Intelligence Coordinating Center will coordinate the intelligence work of all intelligence operations units, including ISOC units of the army and the City Security Command. Recruitment of intelligence personnel must be based on careful screening of persons with knowledge and previous experience. Up-to-date equipment will be introduced for use in order to improve intelligence work efficiency.

Under the present situation, intelligence gathering must concentrate on front work as well as influential interest groups both at national and local levels. Intelligence officials must pay greater attention to political movements both in the cities and rural areas. They must closely follow activities of front movements at all levels, including armed guerrilla bands throughout the country. They must keep close watch on all types of terrorist movements, including the Communist Party of Thailand, both old and new, the people's revolutionary movement, and armed guerrilla bands -- all kinds of movements and circumstances which may help the armed struggle regain strength. Intelligence officials must be able to answer questions concerning the activities and trends of any movements which constitute a threat to national security.

'YOUNG TURK' OFFICERS TO AVOID POLITICS

BK010233 Bangkok THE NATION in English 1 Nov 86 p 3

[Text] The 28 reinstated "Young Turk" officers will avoid politics because they are all satisfied with their new assignments in the army, a group member said yesterday.

Referring to their new assignments, Lt Col Suraphon Chinachit, who acted as spokesman for the group, said he and his colleagues will report to the army on Monday.

Suraphon, who was named a research and combat improvement officer under the order appointing the former Young Turks to new positions, said all the officers "were satisfied with their new positions and will not cooperate with anyone for political gains."

Suraphon, a former commander of the First Artillery Battalion, made the remarks to reporters after the group called on Army Chief-of-Staff Gen Wanchai Ruangtrakun and his deputy Lt Gen Charuai Wongsayan at the Army Hall. Gen Wanchai, he said, invited the officers to the meeting to brief them on the procedures concerning their appointment as well as to inform them of working guidelines.

He quoted Gen Wanchai as asking the officers to perform their duties with the best of their ability.

The "Young Turk" officers mostly former commanders of combat units were dismissed from service for their role in the abortive April's Fool Coup in 1981. The Defence Ministry approved their reinstatements in September.

PHAM VAN DONG RECEIVES CUBAN RADIO, TV DELEGATION

OW031558 Hanoi VNA in English 1457 GMT 3 Nov 86

[Text] Hanoi VNA Nov 3 -- Chairman of the Council of Ministers Pham Van Dong today received a visiting delegation of the Cuban Institute of Radio and Television led by its president Ismael Gonzalez.

Chairman Pham Van Dong highly praised the Cuban people's revolutionary cause, particularly the determination of the entire party and people to join their esteemed leader, Fidel Castro, in carrying out the revolution of renovation in the socio-economic field and reorganization of the managerial structure in Cuba.

Earlier, the Cuban delegation had working sessions with the Vietnam Radio and Television Committee, they signed a protocol to promote the mass media cooperation between the two services.

The two countries' mass media services have had cooperation for decades. During the struggle against the U.S. aggression the Vietnamese radio and television service received wholehearted assistance from its Cuban counterpart in retransmitting Vietnamese radio broadcastings and training personnel.

USSR ELECTRICITY MINISTRY DELEGATION VISITS

OW040809 Hanoi VNA in English 0705 GMT 4 Nov 86

[Text] Hanoi VNA Nov 4 -- A delegation of the Soviet Ministry of Electric Technology led its vice-minister L.P. Saprankoy had a paid working visit to Vietnam.

While here, the Soviet electric specialists helped their Vietnamese colleagues in a feasibility study to produce more electric equipment in service of broadening the electric grids in Vietnam.

They also discussed concrete measures to help Vietnam's electric equipment factories increase the output and quality of their products and ensure the supply of necessary equipment for distributing electricity generated from the Soviet-funded power plants now under construction in Vietnam such as the Pha Lai thermo-electric power plant, the Hoa Binh hydro-electric power plant and Tri An hydro-electric power plant.

The Soviet guests were received by Dong Sy Nguyen, alternate member of the Political Bureau of the party Central Committee and vice-chairman of the Council of Ministers.

HANOI MANDARIN INTERVIEWS HCM CITY DELEGATES

OW040341 Hanoi International Service in Mandarin 1130 GMT 1 Nov 86

[Station reporter's newsletter: "Interviews With Delegates to the Ho Chi Minh City Party Congress"]

[Text] The Ho Chi Minh City Party Congress came to a successful close on 30 October after 9 days in session. Some 600 delegates from basic party organizations of regions, districts, and departments attended.

While the congress was in session, this station reporter interviewed the party organization delegation from Region 1 Ho Chi Minh City, the largest delegation to the congress. Region 1 is in the city proper, where the bogus Saigon regime's Independence Palace, now called the Great Hall of a Unified People, is located. This is the city's most bustling region.

(Nguyen Weiheng), head of the delegation of Region 1's party organization, told this reporter: Before this congress was held, basic party branches and groups in this region held meetings and presented more than 2,000 constructive proposals to the congress. More than 500 cadres of the city's mass organizations, religious groups, and academia also studied the city party committee's report and offered many opinions on specific issues. (Nguyen Weiheng) said: A major concern of the regional party organization and the people, as well as the city party organization, is to solve the urgent problems in the people's daily lives. Our delegation has already offered to the city party congress many specific proposals and has requested that we increase living allowances for poor families, concentrate efforts on developing the handicraft industry, develop the household economy, and strengthen the material foundation for the development of cultural and sports activities.

(Zhang Jing Sheng), delegate of the suburban (Binh Chinh) District, said to the reporter: Over the years, the living standard, agricultural production in particular, of the people in (Binh Chinh) District, has improved significantly. The district has built additional schools, hospitals, and other public utilities. Its agricultural production has provided large quantities of grain and food for the whole city. The people of this district have also proposed to the city party congress that they increase investment in agricultural production, irrigation, and inland transportation in particular, in order to provide the material and technical foundation for rapid development of agricultural production at the district level. Peasants have suggested that the city party committee study and promulgate related policies, price policies in particular, in order to arouse the peasants' enthusiasm for production.

At the congress, scientists' speeches drew special attention from delegates, who also offered many specific proposals for strengthening scientific research in the city, popularizing the application of scientific and technological achievements, and solving problems in construction. Dr (Nguyen Cheng Bao), leader of the sixth geological team, was interviewed by this reporter while the congress was in session. He said: Scientific cadres of the geological team have suggested that the city strengthen the management of mineral resources and extract minerals for domestic use to partially replace similar imported raw materials. A young candidate stressed: It is necessary to strengthen and cultivate rice strains resistant to insect pests in order to help peasants achieve intensive farming.

Delegates of the scientific and technical field at the congress were delighted to see that leaders of all departments at all levels are very concerned about scientific researchers. They have further understood their great responsibilities in the city's construction.

DO MUOI ATTENDS HAIPHONG PARTY CONGRESS

BK311430 Hanoi Domestic Service in Vietnamese 1100 GMT 23 Oct 86

[Text] Haiphong Municipality held its ninth party organization congress 17-21 October.

Attending the congress were 466 delegates who were selected from more than 1,000 party chapters and bases to represent more than 68,000 party members. Comrade Do Muoi, member of the CPV Central Committee Political Bureau and vice chairman of the Council of Ministers, attended the congress as a member of the presidium.

During its 5-day session, the congress worked in a united, frank, and constructive atmosphere. Delegates evaluated achievements scored by the party organization during its previous term, especially in socioeconomic development work.

Regarding agricultural production, Haiphong faces problems of acidic and saline soil as well as repeated typhoons and storms. Its annual rice production output is very low. Some described Haiphong as having an adverse geographical locality as it is situated in the mountainous and delta areas. Haiphong has made great efforts to increase grain production, but for years it was only able to collect an average rice yield of 4 metric tons per hectare annually. Not until 1980, when Haiphong decisively applied the new product contract system in agriculture, did the municipality expand its intensive cultivation, using various technologically advanced methods. Thanks to this effort, in 1981 its average rice yield was more than 5 metric tons per hectare, and in 1985, 7 metric tons per hectare. The production of vegetables has also increased considerably. In 1981 the municipality produced 2,065 metric tons of vegetables and in 1984, 4,290 metric tons, while in 1985 the production output decreased by 50 percent due to natural calamities.

Progress in agricultural production has increased the volume of agricultural goods, thereby meeting the people's demand and contributing to export efforts. Grain procurement increased by 2.7-fold over 1980. In the past, Haiphong annually received from the central government 80,000-100,000 metric tons of grain converted to rice equivalent, while its grain procurement was only 18-20 percent of the set plan norms. Over the past 5 years, however, the central government provided Haiphong with only 40,000-50,000 metric tons of grain annually, as the balance was filled by its own production. Haiphong now can produce sufficient vegetables and pork for its consumption, while agricultural and marine products are on the increase annually.

Over the past 5 years, Haiphong invested more than 987 million dong in agriculture, forestry, and water conservation or 24.6 percent of the total investment, excluding investment in terms of money by grass-roots units and wages paid to peasants for tens of thousands of workdays. As a result, many important material and technical bases have increased, thereby bringing about further progress in agriculture.

Delegates to the congress, however, noted that the agricultural sector of Haiphong has not developed comprehensively, while its land and labor potentials have not been exploited extensively. The production output of subsidiary food and industrial crops has decreased, while the supply of materials to industrial, handicraft, and export goods production establishments has not been carried out firmly and consistently. Animal husbandry has not become the main production sector, while land management is carried out loosely, especially the distribution of land for capital construction and housing projects which sometimes violates state regulations. Forest management and preservation were carried out carelessly, thus increasing deforested areas and creating landslides in some places. Investment in planting new trees has been reduced, so the replacement of felled trees is not in balance.

Haiphong is the first locality to apply the agricultural production service system at the district level.

The Chien An Crop Insurance Corporation is a model known nationwide. An emulation movement to catch up with the Chien An corporation has been expanded to localities throughout the country. Delegates to the congress, however, noted that the agricultural production service system at the grass-roots units is still inconvenient, slow, and unable to ensure fairness for economic contracts. Haiphong was also one of the first places to apply the new product contract system in agriculture. However, in reviewing this task, delegates to the congress noted various prevailing shortcomings in localities, including nonspecific contract practice, thus causing a setback in developing the collective economy at these places.

Concerning industry and small industry and handicrafts, Haiphong has over the past 5 years systematically reorganized production, readjusted the range of products to suit the state's material and energy supplies, stepped up economic integration, and searched for and exploited additional domestic and local sources of supplies, thereby rapidly restoring and gradually stabilizing production. Haiphong's traditional industry has been firmly maintained and developed in some respects. The consumer goods and export goods industries have been vigorously promoted with the introduction of a wide range of new products; and both the quality and aesthetic standard of products have improved.

The sea fishing sector, though still failing to reach the figures recorded during the best years, has steadily increased its annual catch. In 1985, some 11,130 metric tons of sea fish were netted, fulfilling 92.7 percent of the target set forth by the party organization congress and representing an increase of 68 percent over 1980. The average annual increment rate is 11 percent. Salt production has reached almost 19,000 metric tons. Though falling short of the target, this represents an average annual increment rate of 7.2 percent.

The delegates maintained that these are efforts that have been exerted in exploiting the potential of the maritime sector, one of Haiphong's characteristics. In the years ahead, if Haiphong adopts more effective and creative measures to execute business operations, it will be able to stabilize and develop this sector step by step.

In 1985, the value of gross industrial and small industrial-handicraft output in Haiphong reached more than 125 percent of the target set by its party organization congress. The average annual increment rate was 8 percent. The congress affirmed that achievement and maintained that although the production output and value of the industrial and small industrial-handicraft sector have rapidly been restored and far exceeded 1978 production -- the year in which it recorded the highest production output -- this sector still has not firmly been stabilized and still has not developed to such an extent to deserve its position as a basic economic sector that plays a major role in the national economy as well as in the city's economy. This is due to the fact that the sector still depends on the central level for the supply of materials and energy.

Over the past 5 years, the rate of investment has been only 7.42 percent. The renovation and construction of a number of projects have been prolonged. Industrial production in support of agriculture still has not been carried out in combination with agricultural development. Funds have not yet been allocated adequately for the production of consumer and export goods. Although sea fishing has made headway, fish raising still has not won adequate attention and still has not met the people's demand for fresh fish. The city party committee and people's committee have not focused guidance appropriately on industrial and small industrial-handicraft production.

With regard to local transportation work, the delegates noted that efforts have been concentrated on transporting materials and equipment in support of construction, essential commodities in support of industry and daily life, and a certain number of goods for the central level as well as on providing means of transportation for the people's travel activities. Meanwhile, many important bridge and road networks have been renovated or widened, thus creating favorable conditions for rapidly increasing the turn-around rate of the means of transportation to support the loading and unloading of cargo at the city port.

The local maritime transport corporation, which was set up by the city itself, has now been equipped with four sea-going vessels. Two of these vessels, each with a loading capacity of nearly 9,000 tons, have been allowed by the central level to engage in joint enterprise with Binh Tri Thien Province to satisfy the needs of local export-import activities on a number of foreign routes. In the recent past, these vessels have been mobilized to meet the transport demands between the North and the South.

Concerning capital construction, over the past 5 years Haiphong has concentrated guidance on completing 190 projects and groups of projects to support its economic and social development. These include a main water conservation network, a 6-kilovolt power line, the Dong Tien industrial complex, the 110-kilovolt Lach Chay power station, the renovation and expansion of Route 5, the repair of Route 10, an inter-island road, the Cat Bi airfield, a commercial port, and a number of sluice gates. The city has also completed many other public projects in support of daily life, cultural, and social welfare activities such as the television antenna tower, classrooms, teenagers' cultural house, living quarters, and Tam Bac Lake.

With regard to housing, over the past 5 years Haiphong has built 37,000 square meters of living quarters. This figure does not include living quarters built by various collective economic units and the people. Local brick and tile production has increased considerably. In 1985 almost 80 percent of houses in Haiphong were brick houses. A number of socioeconomic complexes are being abuilt in various areas. Achievements in capital construction have helped in developing production, improving the people's daily livelihood, and promoting the prosperous image of the port city. Delegates to the congress, however, noted that capital construction has not been carried out proportionally and the investment structure is not in balance. Expenditures for building and assembling accounts for more than 77 percent of the budget. At some cultural and social centers, essential public welfare services are insufficient and many establishments have deteriorated, especially hospitals and schools. Electric power and water supplies have been insufficient for years. Many projects have been carried out slowly, thus affecting the cost of production and the quality of work. Repair and improvement of existing projects have been carried out carelessly.

Regarding distribution and circulation in Haiphong, state agencies have controlled the sources of goods and money to expand business and services and reorganize the trade network, thereby enabling hundreds of shops and retail posts to increase their retail trade in the organized market from 58 percent in 1989 to 66.7 percent in 1985. Small traders are being reclassified into groups, teams, and types of goods and services. The municipality has made gerat efforts to accelerate economic joint ventures with various provinces. It has increased the volume of goods in warehouses through various local trade channels.

In eliminating bureaucratic centralism and state subsidies and shifting to the socialist business and accounting system, Haiphong faced such phenomena as conservatism, impatience, and oversimplification, while attention was paid chiefly to general business rather than specialized business.

Many unauthorized trade organizations have appeared in various kinds of trades, especially in dealing with goods beyond quotas in order to make profits from price differentials. These negative phenomena have destabilized the market and prices, thus affecting the daily lives of honest workers and laborers. Distribution of living quarters to the people has been carried out unfairly and not in the democratic manner, thus creating doubts among the people.

Speaking to the congress on behalf of the party Central Committee and the Council of Ministers, Comrade Do Muoi commended the Haiphong party organization and people for their efforts in developing the determined-to-win tradition, strengthening unity, overcoming difficulties, and fulfilling targets set forth by the eighth municipal party organization congress. The municipal grain production now is 7 metric tons per hectare, thus contributing to solving the problem of foodstuffs. Sea fishing, industrial production, and capital construction are developing, while import-export is on the increase, port management is improving, and loading and unloading of goods is being carried out more quickly.

Generally speaking, Haiphong has made great efforts in developing economic management. However, Haiphong, with its present potentials, will score better achievements and effectively eliminate shortcomings and deficiencies if it can formulate concrete plans and satisfactorily carry out the management task. The municipality's agricultural production in general is not stable; industrial production for agriculture is still poor; animal husbandry is far from becoming a main sector; occupations are developing slowly; while fishery is still weak in term of workforce and production relations. Its material and technical industrial bases are weak, capital construction for the infrastructure is expensive yet results in low economic result. No significant export goods are produced, while the municipal consumer goods production output is meeting only 30 percent of the requirement. Import-export management is still poor, especially management of cargo ships, thus creating speculation and smuggling. Socialist trade is still weak, and the municipality is still unable to control many kinds of essential goods and master the market. As a result, prices of goods fluctuate, speculation and smuggling are prevalent, cultural and social development proceed very slowly, and so forth.

Comrade Do Muoi also pointed out the tasks and orientations for Haiphong in the years ahead. In the immediate future, Haiphong must accelerate agricultural production, especially intensive cultivation to increase the output of rice and subsidiary food crops. It must strengthen the food belt, develop industrial crops, turn animal husbandry into the main sector, and consolidate sea fishing to make it a key economic task in order to achieve a production target of 20,000 metric tons of fish annually. The municipality must develop deep-sea and offshore fishing, consolidate and strengthen material and technical bases for the fishing sector, improve services at sea and on land, and expand shrimp rearing, accelerate the production of industrial and handicraft products, ensure the autonomy of grass-roots production establishments, improve services at ports and transportation centers to satisfactorily serve agriculture and fishery, produce more consumer and export goods, satisfactorily serve tourists, coordinate with the central industrial sector to improve the national economic and the people's daily life, develop occupations in the rural areas and the family economy in the city, improve port management, communications, and transportation to optimally exploit potentials of the municipality -- which has a large port -- in order to satisfactorily carry out loading and unloading of cargo, and deliver goods to and from localities in northern and southern Vietnam.

The municipality must also strive to protect the state's and people's properties at the port, minimize losses, and oppose negative practices, stealing, and embezzlement.

It must continue to consolidate and develop the central and local transportation capability; improve cargo transportation services; expand the export network; seriously implement various agreements signed with the Soviet Union and other socialist countries; positively participate in cooperation programs with countries in the Far East and the Soviet Union; accelerate the production of export goods; strengthen agricultural, industrial, and fishery production to meet the people's demands; consolidate and expand socialist trade and service; improve the daily life of the people, cadres, and state personnel; provide more jobs for workers; and accelerate production to increase the municipality's income.

After a 5-day session, the congress elected a new executive committee comprising 45 members and 13 alternates, 34 of them elected for the first time. The average age of the committee is 46.9, or 4 years younger than the previous committee. Women members increased twofold. Workers account for 43.1 percent or 10 percent more than the previous committee.

Comrade Le Danh Xuong was elected secretary of the municipal party committee. The congress also elected a delegation of Haiphong to attend the sixth national party congress.

After the closing of the congress, the executive committee discussed measures to implement various assigned tasks.

VO NGUYEN GIAP ATTENDS BINH TRI THIEN CONGRESS

BK010540 Hanoi Domestic Service in Vietnamese 1100 GMT 27 Oct 86

[Text] From 20 to 26 October, the party organization of Binh Tri Thien Province held its fourth congress with 457 delegates representing the more than 61,000 party members of 1,200 basic party organizations in the province. Comrade Vo Nguyen Giap, party Central Committee member and vice chairman of the Council of Ministers, attended the congress as a member of the presidium. The congress observed a minute of silence in memory of the late General Secretary Le Duan, the country's respected and beloved son.

In this congress, the party organization of Binh Tri Thien studied and commented on the party Central Committee's documents to be presented at the sixth national party congress. It also reviewed its performance of its political duty; decided on the guidelines, tasks, and objectives for the 1986-90 years; and elected a new party committee and a delegation to the sixth national party congress.

The congress elected a new provincial party committee of 45 official members and 14 alternate members with an average age of 48.3, nearly 6 years younger than the average age of members during the last tenure. Of these members, 36 have a college education or higher and 31 are new members. Following is station correspondent Dao Nguyen's feature on the congress.

The disastrous flood of 1983 and the biggest storm ever recorded in 100 years, which occurred in late 1985, were the fiercest ordeals endured by the party and people of Binh Tri Thien Province during the interval between the two congresses. However, with its traditional fortitude worthy of pride which helped it through the long march together with the whole nation to regain total independence and freedom for the country, the party has led the people of the province to courageously surmount the ordeals in order to hold this fourth congress with greater confidence and higher responsibility.

Some 450 delegates, including 7 labor heroes and various heroes of the Armed Forces, and who were the most outstanding representatives of the intelligence and zeal of 60,000 party members and the cores of revolutionary movements, are creating changes in the province. Looking at the overall picture of Binh Tri Thien Province, we can see encouraging figures. Over the past 5 years, the province's grain production volume has reached 400,000 metric tons, an increase of 20,000 tons compared with the third congress figures. In 1984 alone, Binh Tri Thien Province achieved 460,000 tons of grain. It was the year in which the province met most of the local people's demands for grain and began to have some grain in reserve. Herds of domestic animals have also increased by 12 percent in buffalo, 45 percent in cattle, and 11 percent in pigs.

In 1981, the area of short- and long-term industrial crops in Binh Tri Thien Province accounted for only 3 percent of the total cultivated area. Now, it accounts for 8 percent. This has created more agricultural exports for the province along the line of combining agriculture with forestry. Each year, some 13,000 hectares of concentrated forests are planted. This contributes to improving the ecological environment of the coastal and hilly areas once heavily damaged by wars. Over the past 5 years, the Dam Pha area has been exploited and the resources along the 400-km-long coast have also been tapped. In 1985, the volume of maritime products reached 21,000 metric tons, exceeding by 1,000 tons the plan norm set by the third provincial party congress. Owing to the efforts of the maritime products and agricultural sectors, the 1985 value of provincial exports reached 14 million rubles, triple the 1981 figure.

Although it is important to accurately assess the achieved results to know where we stand, it is necessary to recognize shortcomings and mistakes in the past, to promptly correct them and set guidelines as well as measures to correctly organize and implement our work in the next 5 years in order to steadily advance Binh Tri Thien Province. This was mainly the guiding concept of this congress and the cause for concern of every responsible delegate armed with the new view of the party Central Committee.

By renovating their economic thinking and with a scrupulous attitude all along the grass-roots level congresses, some 60,000 party members in the province have held animated debates to comment democratically on the draft political report of the sixth national congress and the draft report of the provincial party congress.

Some 20,000 views on the various economic, cultural, and social aspects of the province and 64 statements by delegates examined various specific problems in the spirit of looking squarely at facts and telling the truth. They pointed out weaknesses in eliminating the system of bureaucratic management and subsidization and shifting resolutely and definitively to socialist accounting and business.

In agriculture, what the province deemed as urgent was the necessity to homogenize intensive cultivation with the uniform application of new technical and managerial measures, and to provide timely guidance for the scheduling and allocation of crop cultivation patterns for the targeted afforestation sites with the caring for and protection of forests to be placed under the general business accounting system so that the value of the commodities produced would increase with every passing day.

The delegates devoted time to discussing and stressing questions. Among these was the need to create a basic change in scientific and technical knowledge and the force directly engaged in production in order to allow the province to better organize the task of receiving and applying the scientific and technical knowledge of cadres in the seven universities and higher education institutes located in Hue to the various economic and cultural activities in the province because Hue is the third major city after Hanoi and Ho Chi Minh City.

On the strength of this knowledge and in combination with realities in the province, the congress set objectives for the economic struggle for the province until 1990: Grain production volume should reach 570,000 metric tons with a per capita allocation of 300 kg. Industry should account for 20 percent of the total cultivated area and pig herds should increase by 25 percent and each marketed pig should weigh 60 kg. During each year of this period, the province should plant 3,000 hectares of concentrated forests and 18,000 hectares of scattered forests, and catch 25,000 metric tons of maritime products. To resolve the problem of consumer goods, handicrafts and artisan industry will be developed in both rural areas and cities and towns to achieve an annual increase of 12 percent, bring the value of industrial production volume of the province to 2.8 billion dong.

The tourist potential of the province will be vigorously promoted to increase foreign exchange. Binh Tri Thien Province has to face great natural ordeals, but the ordeal that each person must go through to overcome his old economic thinking is of vital significance. This ordeal requires that each party member consciously use the qualities of a genuine communist to improve himself in order to better perform the task of providing leadership and guidance for the economic, cultural, and social activities in Binh Tri Thien Province.

It is not too early to say that all these points have begun to be seen in the spirit of this congress, in the high identity of views of the congress on the strategic lines of economic development and other aspects of the party work which were presented in the draft political report of the coming sixth national party congress, and in the guidelines, tasks, and measures set for the years until 1990 by the fourth party congress of Binh Tri Thien.

The renovating and offensive spirit of the congress is evident in the election of a new, younger party committee of 45 comrades and in the unanimous agreement to elect a delegation to the sixth national party congress to present the views of 60,000 party members in Binh Tri Thien Province. Although the general picture of today's Binh Tri Thien cannot have pleased all party members and people in the province, all that we have seen in this fourth party congress of Binh Tri Thien Province has promised a new step toward development in this stalwart area.

VO CHI CONG ATTENDS QUANG NAM-DANANG CONGRESS

BK020853 Hanoi Domestic Service in Vietnamese 1100 GMT 28 Oct 86

[Tran Thien Nhien's report: "Some Points Noted at the Quang Nam-Danang Party Organization Congress"]

[Text] During its very first day of sitting, the congress was captivated by the report of the Quang Nam-Danang Provincial Party Committee reviewing the implementation of Directive No 79 of the party Central Committee Secretariat, which was presented by the comrade provincial chairman.

What is good and commendable about this report is that instead of stopping at laying bare the truth, shortcomings, and mistakes the responsibility for which are eventually attributed to the collective, it dealt with each specific problem and each specific fact pertaining to the mistakes committed by people of position and power at various levels who illegally used supplies, property, and foreign currency belonging to the state for personal purposes, naming every person concerned, revealing the goods involved and their value, naming the persons who authorized such misdeeds, and pointing out how much responsibility rested with the collective owing to its laxity in management and how much with the individual leaders concerned. Finally, it announced the results of efforts to deal with these shortcomings, a fairly positive and effective step.

Although the delegates did not tell one another their feelings, almost all of them felt great relief after listening to the report and agreed that this was a new, revolutionary phenomenon in our party's internal activities. They unanimously held that the principal issue, in fact, was not to recover for the state the misappropriated property -- although this was by no means a small matter -- but the main and more significant thing was that it was the first time that our party had openly declared war against corruption and prerogatives in its ranks and plainly told its members and the people that although it is a ruling party, its members -- persons who have volunteered to fight under the party banner and to be the people's loyal servants -- were not permitted to behave like this.

Was this not a new feature of the party congresses at various levels? And was this also not an important renovation of our party's way of thinking -- thinking about itself and about the role and responsibility of a ruling party toward the country and people at a time when the revolutionary cause is beset by many difficulties?

This resolve of the Quang Nam-Danang party organization was also reflected in the statement made by Comrade Nguyen Thanh Long who, on behalf of the congress and the party organization, promised the party Central Committee and Comrade Vo Chi Cong to make every effort to implement the uniform grain and foodstuff, essential consumer goods, and export goods programs; to resolutely eliminate corruption and combat all illegal business tricks and methods which promote personal benefits but hurt public and state interests; actively strengthen the local party organization in all respects; and adopt new ways of thinking and work methods in conformity with the central echelon's viewpoint on renovation.

All the socioeconomic targets we have already set essentially depend on the results of the implementation of these three programs -- grain and foodstuffs, essential consumer goods, and export goods. Also depending on the outcome of the three programs are the evaluation of past achievements and the planning of future steps. This was another subject that was discussed in a fairly lively manner at the congress of the Quang Nam-Danang provincial party organization.

With a serious sense of criticism and self-criticism, showing the courage to look squarely at the truth and frankly tell the truth, and guarding against complacency and euphoria over unexpected achievements, the political report presented by the Quang Nam-Danang Party Organization Executive Committee to the congress affirmed: Over the past years Quang Nam-Danang has scored important successes on the agricultural production front. Owing to these accomplishments, the province has been able to basically achieve self-sufficiency in grain.

Production of key foodstuffs has increased. More raw materials have been made available for light and processing industries. Progress has also been made in the production of goods for export. In the 1975-80 5-year period, the province had to distribute 27,000 metric tons of rice as relief aid but only 1,300 metric tons were used for this purpose in the 5 years from 1981 to 1985. In the 1985-86 winter-spring season, although there was a grain shortfall of 100,000 metric tons due to serious crop losses, the state did not have to send in relief, proving that the people had a substantial grain reserve.

Agricultural development, however, has not yet been commensurate with the province's potential and has not yet met requirements. Increases in grain output have been slow, unstable, and unsteady. Land management has been unsatisfactory. The rice area has shrunk while both the area and output of subsidiary food crops have decreased. Due attention has not been given to the planting of industrial plants and crops for export, thereby making it impossible to build areas of specialized cultivation and to make investments for intensive farming. Production relations in agriculture have not been consolidated while the bad practice of giving out nonspecific contracts has tended to spread. The chief cause of these shortcomings is the failure to consider agriculture as the foremost front; as a consequence, policies have not been adopted to ensure adequate investments.

Industrial, artisan, handicraft, and export goods production has increased, but only slowly. The amounts of consumer goods have been small and their quality poor. The distribution and circulation front has suffered prolonged disruption and the situation has continued to worsen. Socialist transformation and market management have been slackened. The quantities of commodities produced have not only been negligible but their distribution has also been unfair. All these mistakes and shortcomings have resulted in the present situation: The people's standard of living has not been substantially improved; tens of thousands of able-bodied people of working age are still jobless; and many legitimate material and spiritual needs of the people have not been satisfied.

One of the causes of this state of affairs mentioned most frequently at the congress was deficiency in organizational capability. This shortcoming was reflected in the lack of responsibility, bureaucratic work methods, the lack of control and supervision, excessive fondness for issuing orders and red tape, the holding of too many meetings and conferences which did not lead to quick and clear-cut decisions, the tendency to boast about one's accomplishments and emphasize quantity at the expense of quality, the bad practice of giving glowing reports about poorly done work, and the malady of formalism.

After analyzing all aspects of the situation, the congress of the Quang Nam-Danang party organization unanimously determined the socioeconomic tasks for the 1986-90 period, clearly stating how many metric tons of grain were to be produced, what kinds of consumer goods made, the value of goods to be exported by 1990, and so forth.

In terms of information, these specific figures are in fact more significant to the localities concerned than to the country as a whole. What was new and worth mentioning here is that, unlike in previous congresses, this time around all the targets were adopted only after concrete and thorough discussion during which both the tendency of subjectivism and hastiness and that of unwarranted caution -- which may prevent the province from fully realizing its potentials -- were opposed.

Also worth noting are the new measures, new ideas, new concepts, new ways of thinking, and new production methods adopted by the congress to fulfill these targets.

In the past 5 years, the cause of slow increases in grain output was the failure to consider agriculture as the foremost front. Now that this has been corrected, with agriculture being regarded as the foremost front, what should be done to ensure that investment in agriculture is adequate? Should we increase power, water, and fertilizer supplies? Change crop planting patterns? Expand the cultivated area? Grow three wet rice crops for several years in succession or plant three different crops a year? Cultivate two crops of high-yield wet rice? What is the best thing to do?

All these questions were discussed in a democratic manner. A major, overriding, and decisive question bearing on all economic issues is that of investment. At a time when capital is scarce while the demands of life are numerous and diversified, how to use capital in the most rational fashion to ensure the best results is obviously not a question for yesterday but also for today.

Does the province need to build conference halls, public offices, theaters, and cultural houses right now? Which ones should be built first: schools, hospitals, roads to mountain areas, or water conservation projects to irrigate ricefields? And on what scale? These are issues on which it is not easy to reach agreement, and there are many reasons for this. First, all these projects are necessary; and second, as a result of decentralization according to the formula "the state and the people work together," capital has been scattered and it is difficult now for the province to control all district investment projects.

In the final analysis, the crux of the problem is still the viewpoint. The congress found a concrete example cited by Comrade Vo Chi Cong highly enlightening. That was the central level's decision to suspend the construction of the Cau Do electric power plant although preparations had already been made. Comrade Vo Chi Cong pointed out: If we go on with the building of the Cau Do project, this plant will not generate power until 1991. Once put into operation, the plant will require 400,000 metric tons of coal as fuel each year, and this amount of coal must be brought in from Hon Gai. Meanwhile, by 1990, at least two generator units of the Hoa Binh hydroelectric power plant and two others of the Tri An hydroelectric power plant will have begun to generate electricity. At that time, the North may have a power surplus. For this reason, the most rational and economical way to resolve the power problem of Central Vietnam is not to build more power plants but to construct a power grid to bring in electricity from Hoa Binh. This will be both faster and less costly.

This lesson will certainly be useful for economic workers, especially those put in charge of the economic budget, no matter at what echelon they may be.

As I write this article, the congress of the Quang Nam-Danang provincial party organization has finished discussions and is beginning the democratic process of electing the new party organization's executive committee and appointing delegates to the national party congress. The new ideas, new way of thinking, new work methods, and new resolve -- all depend on the results of the guidance of implementation and on dynamism, intelligence, creativity, the courage to think and act, and a sense of responsibility toward the party and people of the delegates elected to the party organization's executive committee this time around.

DAC LAC PROVINCE HOLDS PARTY CONGRESS

BK031429 Hanoi Domestic Service in Vietnamese 1430 GMT 23 Oct 86

[Text] The party organization of Dac Lac Province held its congress from 9 to 14 October with the participation of more than 400 delegates representing 10,000 local party members. Aside from contributing ideas to the formulation of various documents of the sixth national party congress, the Dac Lac provincial party congress devoted much time to discussing and correctly assessing achievements and shortcomings as well as their causes in the transformation, building, and development of economy, culture, social welfare, security, national defense, and in the consolidation and building of the party and mass organizations.

Over the past 3 years in grain production, Dac Lac has expanded the cultivated area while intensifying farming, multicropping, and various other measures to increase crop yields. In particular, it has adopted a more rational crop cultivation pattern on upland fields to make better use of arable land and to achieve high economic efficiency. The wet-rice area has increased by 5,700 hectares. In 1985, the average rice yield was 8 metric tons per hectare and the per capita grain production was 320 kg per annum. The province has basically resolved the grain problem and has turned out increasing amounts of agricultural products. While building the district economic structure, the province has shaped the coffee and rubber processing industries and has grown more industrial crops. The hog and cattle numbers have increased by 44-54 percent since 1982; bee, fish, and duck raising has developed rapidly.

Dac Lac now boasts 216 cooperatives and 187 agricultural production collectives. Production relations in agriculture have been consolidated while the family-operated economic sector has been encouraged and developed. Forestry has been reorganized and developed one step further. Forest management has been regularized and several new forestry zones have been established. The social market has been reorganized and the systems of state-operated trade sector and marketing cooperatives have been consolidated and expanded. The state has done a better job in controlling the sources of goods. Through joint ventures, economic integration, and export activities, the province has been able to increase the supplies of materials and goods for production and the people's daily life. In 1985, it exported more than 16-million dong worth of goods, a fivefold increase over 1982.

A central highlands province, in the past 3 years Dac Lac has redistributed the local work force while receiving large numbers of laborers from other provinces who came to build new economic zones. With the 26,300 laborers and 55,449 dependents sent in from other localities, Dac Lac has established several new economic zones and has stabilized the production and living conditions of the new settlers. Meanwhile, the province has steadily developed culture, social welfare, security, and national defense; has made progress in implementing various principles of organization and activity and the regulations on official work and labor protection; and has attached importance to cadre training.

Generally speaking, however, Dac Lac's agriculture is still mainly characterized by extensive farming; in-depth investment and the management and use of existing arable land, labor, and material bases have not received due attention; and there still is a lack of balance between the development of livestock raising and that of crop planting. The forested area has been constantly shrinking because of unreasonable exploitation, enormous waste of wood from tree tops and branches, the lack of a timber processing industry, the failure to satisfactorily organize the management of the exploitation of precious forest products, and many snags in the relations between the local and central echelons and between the forestry sector and the local authorities.

The province has taken the first step in reorganizing industry, small industry, and handicrafts, and has produced a number of new kinds of goods such as paper, tannin, and rubber articles. However, industry, small industry, and handicrafts have not yet satisfied the demands of agricultural production, especially in the fields of agricultural product processing and farm implement and consumer goods production. The province has failed to provide sufficient energy, raw materials, and supplies necessary for production. The capacity of equipment and the material and technical bases are still being wasted or are in serious disrepair. The province has been slow in formulating concrete guidelines and policies to encourage the development of the local industry, small industry, and handicrafts. There have been many shortcomings in distribution and circulation of goods. Economic organizations and activities have suffered from numerous deficiencies and weaknesses. The socialist market has failed to dominate the social market. The standards and capabilities of cadres and party members have not been improved and their style of leadership has not yet been renovated. The province has not responded to changes in the situation and has shown confusion and shortcomings in applying various policies and positions to specific local conditions.

The Dac Lac provincial party congress unanimously agreed on the socioeconomic guidelines and tasks for the next 5 years. The province will strive to overcome the difficulties caused by the serious imbalances still existing in the local economy, to achieve stability, and to strongly shift the economy toward producing goods on a larger scale. It will create an increasingly rational economic structure, continue strengthening the material and technical bases, and bring into full play the strengths of agriculture, forestry, processing industry, and exports. It will continue to develop education, culture, social welfare, and public health and take a further step in stabilizing and improving the people's standard of living. It will complete the task of settling the nomads, thereby continuing to promote the advancement of the people of various ethnic minority groups in the province in every way.

The congress considered agriculture as the foremost front. It advocated attaching importance to both rice and subsidiary crop cultivation and urged that every effort be made to develop the planting of both short- and long-term industrial crops and to increase the production of agricultural products for export. Dac Lac will strive to produce 280,000 metric tons of grain and to ensure per capita grain consumption of more than 300 kg per annum.

To achieve these targets in the coming years the province will strongly switch to intensive cultivation and apply scientific and technical advances to obtain high yields and output. In conjunction with expanding the wet-rice area, it will vigorously develop the production and processing of subsidiary food crops. Also in the next 5 years Dac Lac will make an effort to attain a number of other targets in agricultural production such as 30,000 metric tons of peanuts, 60,000 metric tons of maize, and 15,000 metric tons of various beans. It will pay attention to strongly developing the planting of coffee in all three sectors -- state, collective, and family -- to complete the program of growing 50,000 hectares of coffee, 30,000 of which will belong to the central government and the rest to the locality. It will strive for an output of 22,000 metric tons of coffee for export by 1990. During the next 5 years, the province will grow 35,000 hectares of rubber -- 25,000 of which will be planted by the central government and the rest by the locality -- to increase latex output to 2,200 metric tons per annum. It will prepare the conditions for strongly developing the cultivation of rubber in subsequent years by working out a plan for the planting of another 150,000 hectares.

Dac Lac will encourage families to expand the area of other crops for export such as black pepper, saffron, and ginger to achieve an annual output of 700-1,000 metric tons. It will raise the numbers of cattle to 140,000, hogs to 260,000, poultry to 1 million, and beehives to 4,000.

Concerning forestry, in the years ahead Dac Lac will strive to achieve two major objectives: preserving and developing its forest assets in conjunction with reorganizing exploitation and processing to make the fullest use of timber and other special forest products; and planting 6,000 hectares of new forests each year, tending to 50,000 hectares of existing forests, and exploiting 300,000 cubic meters of logs and 85,000 cubic meters of firewood. Forestry will be developed by combining it with agriculture and the processing industry to attract large numbers of laborers and establish the new economic zones in conjunction with settling the nomads, satisfactorily carrying out the allocation of land and forests, and reorganizing forestry.

Dac Lac will develop industry, small industry, and handicrafts in close coordination with agriculture and forestry, thereby creating a rational economic structure to promote production. It will pay special attention to developing wood, coffee, and rubber processing, machine repair industry, and consumer and export goods production. It will complete the Drey Ling hydroelectric power project, start construction of the Buon Dray hydroelectric power plant, and quickly develop water conservation in conjunction with the building of small-scale hydroelectric power plants to triple the current power output, thereby creating conditions for industry, small industry, and handicrafts to develop.

Dac Lac will make an effort to reestablish order in distribution and circulation, restabilize the economy, develop production, and ensure the people's livelihood. The state will strive to firmly control the sources of goods and money, enhance market management, combat speculation and smuggling, stabilize prices, complete the programs of cooperation in coffee and rubber production with fraternal countries, broaden economic cooperation and integration with other provinces and cities, and enhance the local capacity for economic development.

The province will strive to renovate its contingent of cadres, strengthen the organs of leadership and management, improve the administrative organizations at all levels to ensure that they are capable of managing state affairs, especially economic management, renovate the workstyle at all echelons and in all sectors, and resolutely expel from the party those persons whose will to fight has declined and who are degenerate and deviant and lack discipline.

The Dac Lac provincial party congress elected a new executive committee composed of 45 official members and 20 alternate members and appointed delegates to the Sixth National Party Congress.

CENTRAL ECONOMIC BLOC HOLDS PARTY CONGRESS

BK021346 Hanoi Domestic Service in Vietnamese 0500 GMT 31 Oct 86

[Text] The party organization of the central economic agencies bloc held its second congress of delegates from 21 to 25 October 1986, with 245 delegates representing 6,436 party members from 15 basic party organizations.

Comrade Nguyen Lam, party Central Committee secretary and head of the Central Committee Economic Department, attended and addressed the congress.

Over the past 2 years, the party organizations in the economic agencies bloc have closely followed the guiding concepts of the party Central Committee's important resolutions and have linked the ideological task with the political task of each agency and unit. However, the ideological knowledge and sense of discipline and responsibility of cadres and party members in the bloc have not met the requirements of the new situation. The results achieved in the implementation of the new management system are still limited.

Although new factors have appeared in party organizations, the requirements have not been met and actual results have not been achieved in the implementation of the general economic agencies' main advisory and state management tasks in the national economy.

The state of bureaucratic and rigid restraints manifested by many outdated policies has not been eliminated. Regulations on the improvement of planning, finance, credit, prices, material supply, trade, export-import, and service have not been changed basically.

Agencies have not developed their role in the formulation of policies and measures to overcome immediate problems and are slow in renovating their way of thinking and work methods. The phenomena of degeneration in lifestyle of those only preoccupied with seeking personal interests, and in the sense of responsibility, organization, and discipline disregarding and neglecting compliance with the state policies and systems of economic management, and manifestations of opportunism tend to develop.

The congress put forth the guidelines and tasks of the bloc party committee for the 5-year 1986-90 period: The political and ideological tasks must warrant the achievement of practical results in the fulfillment of units' political duties from the viewpoint of state management, and in accelerating production and business. They must positively help stabilize the socioeconomic situation and further overcome the manifestations of negativism, sluggishness, dogmatism, formalism, and bureaucratism along with all its ramifications which are being combined with feudalism, radicalism, paternalism, despotism, and opportunism.

Cadres and party members must be educated and motivated ideologically so that everyone can actively participate in the formulation of plans, projects, and policies, and the improvement of management and operation; overcome the state of bureaucratic centralism and subsidization in each unit; enhance the quality of work in party organizations; improve the activities of party chapters; and step up self-criticism and criticism. The congress elected the party organization's second executive committee of 21 official members and 4 alternate members, and a delegation to the sixth national party congress.

NGUYEN CO THACH ATTENDS HA NAM NINH CONGRESS

BK310736 Hanoi Domestic Service in Vietnamese 2300 GMT 26 Oct 86

[Text] From 21 to 25 October, 516 delegates representing 130,000 party members of 1,700 basic party organizations in Ha Nam Ninh Province, held their fourth party organization congress. Comrade Nguyen Co Thach, alternate member of the party Central Committee Political Bureau, attended and addressed the congress.

Despite many difficulties caused by natural disasters and the generally unstable economy, the party organization of Ha Nam Ninh Province has gradually removed difficulties over the last 3 years to maintain and develop production, and has scored considerable achievements. Implementing the 18 socioeconomic goals set by the third provincial party organization congress, Ha Nam Ninh Province has fulfilled and overfulfilled important goals.

It is noteworthy that annual grain production continually averaged 870,000 metric tons, an increase of 40,000 tons over the norm set by the last congress, in spite of the shortages of materials and the affliction of insects and floods. In exports, the province has concentrated on exploiting sources of various goods and has achieved a 3-year average value of 50.6 million dong, an increase of 32.5 percent over the previous figure. Exports made from local raw materials such as rush, hemp, and peanuts have increased moderately, accounting for 75 percent of the total export quota.

Some 70,500 people and 33,200 workers have been relocated to new economic zones, overfulfilling the prescribed norm by 36 percent.

The party organization congress of Ha Nam Ninh Province analyzed the outstanding shortcomings in the spirit of looking squarely at facts and, on this basis, put forth measures to overcome them.

The development of production over the past few years was still slow and not commensurate with the position an agricultural province where land and labor abound. Although the province has some advanced cooperatives that have achieved more than 10 metric tons of rice per hectare, there remain many others with a rice yield of less than 5 tons per hectare. The level of intensive cultivation is not homogenous in the three economic zones -- the plains, coastal, and hilly areas. The province's potentials have not been adequately exploited and used in a highly effective manner. There are still many difficulties in growing 10th-month crops in low-lying rice fields. The yield of secondary food crops has decreased. Such industrial crops as sugarcane and mulberry have decreased in both area and productivity.

Industry and handicrafts and the artisan industry have developed slowly. The quality of products is still poor and production costs high. In 3 years, the population growth increased by 5.5 percent but the gross social output only increased by 2.9 percent. The people's livelihood is slowly improving.

The general guidelines set by the congress for the province are to concentrate on vigorously stepping up production, especially grain, food products, consumer and export goods; build an agroindustrial economic structure closely connected with exports and imports; closely combine socioeconomic activities with national defense and security; exploit the potentials of the three economic zones using agriculture as the foremost battlefield; and gradually stabilize and improve the people's livelihood.

The annual grain production volume must average 920,000 metric tons over the next 5 years. By 1990, there should be 32,000 tons of marketed pork, 9,000 tons of peanuts, 6,000 tons of hemp, 18,000 tons of rush, 65,000 tons of sugarcane, and 200 tons of silkworm cocoons. The value of the industry and handicrafts and artisan industry production volume must reach 2.5 billion dong, an average annual increase of 4.8 percent.

The province should turn out 100,000 tons of salt, 6,000 tons of sea fish, and 900,000 cubic meters of stone; reach an export value of 800 million dong; and lower population growth to 1.6 percent to keep the provincial population within the 3 million people mark.

Ha Nam Ninh Province has favorable conditions for expanding the coastal areas, growing rush and brugiera gymnorhiza in swampy areas, developing bee raising, breeding and processing maritime products, and quickly increasing the production volume of consumer and export goods.

The swampy areas of Con Ngan and Con Luu, Xuan Thuy District, have now expanded to 5,000 hectares and have received some investments for land reclamation from the sea, the building of material bases, and the immediate use of 1,000 hectares for growing rush and exploiting marine products.

In Kim Son District, the Con Thoi area is being expanded. Kim Son will quickly increase the area and productivity of rush plants, develop its traditional skill of weaving rush mats and processing rush, and absorb most workers into the production of export goods in order to increase the export quota value.

Ha Nam Ninh Province will pay attention to the processing of agricultural products, grain, and food products on various and appropriate scales and in suitable forms in industrial production and in the production of the handicrafts and artisan industry. It will invest in the consumer goods industry; firmly maintain and develop the tanning, tailoring, and dyeing trades; encourage fine arts for export such as lacquer and sculpture, the weaving of rush, wool, and hemp carpets, and embroidery; develop and qualitatively increase the manufacture of bicycles and spare parts; and exploit building materials to meet the demand of the state and people.

Over the next 5 years, Ha Nam Ninh will emphasize investment in exports, fully use existing material and technical bases and build new ones, formulate rational pricing policies, process raw materials, enhance the quality of exports, and encourage producers to turn our more exports by ensuring their benefits.

The congress elected the party organization's new executive committee of 51 official members and 14 alternate members. Comrade Nguyen Van An, party Central Committee member, has been reelected secretary of the provincial party committee. The congress also elected a delegation to the sixth national party congress.

NGUYEN LAM ATTENDS INDUSTRIAL ORGANS CONGRESS

BK311435 Hanoi Domestic Service in Vietnamese 1430 GMT 27 Oct 86

[Text] The party organization of the central industrial organs bloc held its second congress of delegates recently. Comrade Nguyen Lam, secretary of the party Central Committee, attended and addressed the congress.

In past years, the various sectors of the bloc have made intensive efforts to carry out the norms and tasks set forth at the fifth national party congress. In 1985, the postal service, metal, and chemical sectors were able to obtain 8-17 percent of the needed supplies and raw materials. The postal service sector has increased its material-technical bases and operated at a profit instead of incurring losses which must be covered by the state.

The construction and communication and transportation sectors have reserved the bulk of supplies and raw materials for major projects some of which have been put into operation such as the Pha Rung shipyard, the Thang Long and Chuong Duong Bridges, and the Pha Lai thermoelectric power plant. All the bloc's sectors have actively made use of the guidance provided by the central level and developed the contingent of cadres in accordance with sectorial development plans. A number of sectors have secured state approval for formulating annual and 5-year plans.

A number of sectors have begun to renovate the management mechanism toward broadening the basic unit's autonomy in production and business and good results have initially been recorded in the textile, tea, detergent, transportation, and electricity sectors.

Since the bloc is staffed with a large number of mid- and high-level economic-industrial cadres who are well informed of the lines, policies, and guidelines of the party Central Committee and the Council of Ministers, its party organization has paid attention to intensifying political and ideological education and supervising the implementation of specialized tasks by party members in accordance with the resolutions of the fifth party Central Committee on the tasks of the state plan and on party ideological work, especially with the party's viewpoints and orientations for renovating the mechanism of economic management.

Thousands of suggestions were made by party cadres and members during congresses held at various levels. At this congress the bloc's delegates strictly pointed out the weaknesses and deficiencies in production, production management, and party building work. Many major industrial production targets set forth at the fifth party congress -- such as those for coal, cement, paper, steel sheets, and the annual freight volume increment rate -- have been unfulfilled; and activities have not been well coordinated in the service of agricultural production, thereby reducing efficiency. Many common items of consumer goods have been in short supply. Norms set concerning quality and labor productivity have generally dropped. Many products have been of poor quality; the rate of energy and material consumption per product unit has increased; and the economic return per dong of fixed assets has dropped.

Party cadres and members of the bloc have shown signs of disagreement on viewpoints and measures for abolishing bureaucratism and state subsidies and shifting to the mechanism of economic accounting and socialist business. There still exists the tendency to maintain power, resulting in an unwillingness to carry out decentralization to the grass roots; this tendency is especially strong in sectors where cadres are deeply involved with, and hold power over, the grass roots. Many cadres do not thoroughly grasp the lines and policies of the party toward the various economic components.

The congress severely criticized negative manifestations in the product consumption and in the use of foreign currency belonging to the state to import luxury consumer goods for internal distribution at a number of ministries and sectors. The giving of gifts to superiors, the abuse of housing privileges, and the misappropriation of supplies and equipment for personal use have had bad repercussions among workers and state employees.

In the coming period, the central tasks of the bloc of central industrial organs party organization consist of carrying out political and ideological education and supervising the implementation of the sixth national party congress resolutions as well as other party lines and policies; satisfactorily changing socioeconomic thinking; contributing to building a new mechanism of economic management; carrying out economic accounting and socialist business; and overcoming conservatism, sluggishness, and all obstacles to the formulation of the new management mechanism. The party organization must exert better control over the implementation of the resolutions in order to promptly discover and correct mistakes and report major problems to the central level.

Party committees are required to review and perfect the division of work between themselves and heads of the organs concerned, contribute toward developing a cadre plan, broaden democracy, and closely heed the opinions of the masses regarding the evaluation, promotion, and punishment of cadres, especially key ones. Party committees must further improve their supervisory role and make suggestions to heads of organs regarding various aspects of work, especially cadre work, with a view to selecting and assigning cadres correctly and implementing the various systems and policies toward cadres, workers, and state employees more satisfactorily.

The congress of the central industrial organs' bloc party organization elected an executive committee for the second term of office consisting of 19 members and a 14-member delegation to the sixth national party congress.

PARTY ORGANIZATION OF CA MAU CITY HOLDS CONGRESS

BKO30931 Hanoi Domestic Service in Vietnamese 1100 GMT 23 Oct 86

[Text] According to a report by Comrade (Le Quang Hoanh) of the Propaganda and Education Section of Ca Mau City, the party organization of Ca Mau City, Minh Hai Province, held its fourth congress of delegates from 29 September to 2 October.

The congress held discussions on and contributed ideas to the draft political reports of the party Central Committee and the provincial party committee and formulated a resolution. The congress also evaluated the efforts to implement the resolution adopted by the third congress of delegates of the city's party organization. Of the 23 targets set by the previous party committee, 11 were fulfilled or overfulfilled, including the production of cloth; capital construction; socialist transformation of industry, agriculture, and trade; the value of industrial output; marine products; troops recruiting; education; rural communications; and reduction of the population growth rate. Ten targets were fulfilled by 75 percent or higher, including exports, grain procurement, hog raising, and water conservation development. Two targets were fulfilled by less than 70 percent: agricultural production and construction of residential homes.

The congress determined general tasks and key socioeconomic objectives and norms for the 1986-88 period. It also elected a new executive committee of the city's party organization composed of 37 official members and 7 alternate members. Compared with the previous committee, the new committee has a larger and younger membership with a higher cultural and political standard, thereby ensuring that the local party organization's immediate and long-term tasks will be fulfilled.

MALAYSIAGOVERNMENT KEEPING TABS ON 'ZIONIST' ACTIVITIES

BK021338 Kuala Lumpur BERNAMA in English 0720 GMT 2 Nov 86

[Text] Yan (Kedah), Nov 2 (OANA-BERNAMA) -- The Malaysian Government is keeping an eye on the activities of a social organisation in the country which has received \$1 million [Malaysian] (about U.S. \$385,000) in assistance from a Western organisation to conduct a smear campaign against it, Deputy Home Minister Megat Junid Ayub said today.

He told a gathering in this northern peninsular Malaysian state of Kedah Town, that the Western organisation in question had connections with the Zionist movement and an international Christian organisation.

"The Home Ministry is investigating and keeping tabs on the activities of the social organisation and their leaders," he said.

Megat Junid said the country faced various enemies, either openly or subtly, from Zionists, Communists and religious extremists.

The government was closely following the Zionist movement which was based in a neighbouring country, he added.

He said Zionist agents made use of the social organisation in the country to organise cultural shows in Malaysia but "when the organisers realise there are observers from the special branch in the audience, they quickly change the topic of the show to one that is pro-government".

On the communist threat, the deputy minister said the open threat of the Malayan Communist Party was not of much concern now as only 100 out of 2,200 remnants of the communist terrorists were operating in the jungle in a neighbouring country.

However, the subtle threat of the Communists still existed in the pro-Russian Communists who operated within the country and abroad, instigating students to oppose the government, he said.

He said the pro-Russian communist movement was assisted by 17 former leaders of the Indonesian Communist Party (PKI) who fled to Beijing after their abortive coup d'etat in 1965 and had since settled down in Europe.

SECURITY COUNCIL CONVENED TO DISCUSS CEASE-FIRE

HK040203 Manila Far East Broadcasting Company in English 2300 GMT 3 Nov 86

[Text] President Corazon Aquino said yesterday [3 November] that the National Democratic Front [NDF] has taken a step forward in acceding to her cease-fire plan. More on this from FEBC public affairs officer Art Pabellon:

[Begin recording] President Corazon Aquino yesterday said that the NDF has taken a step forward in acceding to her proposal for the cease-fire which she enunciated before she left for a working visit to the United States last September. The chief executive convened the National Security Council to discuss the draft memo of the cease-fire. A group composed of government negotiators and some military advisers was asked to refine the government position for presentation to the National Democratic Front at their meeting on Wednesday. Meanwhile, it was stressed that the peace keeping, public safety, police operations, and law enforcement functions of the responsible agencies of government shall continue during the period of the cease-fire.

The National Security Council is composed of the president and the Minister of National Defense Juan Ponce Enrile, Executive Secretary Joker Arroyo, Vice President and Foreign Minister Salvador Laurel, Agriculture Minister Ramon Mitra, Commissioner Teofisto Guingona, Justice Minister Neptali Gonzales, Social Welfare Minister Mita Parda de Tavera, Armed Forces Chief of Staff General Fidel Ramos, NICA [National Intelligence Coordinating Agency] chief General [Luis] Villareal, Budget Minister [Alberto] Romulo, General Magno and Minister of Information [as heard] Teodoro Benigno. [end recording]

GOVERNMENT FORMS SECRETARIAT FOR PEACE TALKS

HK040923 Quezon City Radyo ng Bayan in Tagalog 0900 GMT 4 Nov 86

[Text] The government has set up a secretariat to assist negotiators conducting talks with the National Democratic Front [NDF]. The secretariat will be headed by Dr Emmanuel V. Soriano, former president of the University of the Philippines.

According to one of the negotiators, Agriculture and Food Minister Ramon Mitra, Jr, the secretariat will provide administrative support to the government's peace negotiations and was formed after contacts were made with NDF negotiators Tony Zumel and Satur Ocampo. In addition, the government's secretariat has also formed a committee to monitor possible violations in the preliminary cease-fire.

GOVERNMENT TO ASK JAPAN TO LOAN \$1.6 BILLION

HK031512 Quezon City BUSINESS DAY in English 3 Nov 86 p 2

[By reporter Michael D. Marasigan]

[Text] The Philippines will formally ask Japan for a total of \$1,612.5 million in credit assistance during President Aquino's Tokyo visit on Nov. 10-13, according to requests received by the Japanese embassy.

Manila-based Japanese officials told BUSINESS DAY that "the amount is too high and unrealistic," adding that while Tokyo would definitely increase its assistance to the Philippines, the increment would be "moderate."

The Philippines is seeking 130 billion yen (\$812.5 million) in the 1986 14th annual loan package from the Overseas Economic Cooperation Fund (OECF), \$500 million from the Export-Import Bank [Eximbank] of Japan, and \$300 million in a special yen loan for the 300-megawatt Calaca II coal-fired power plant in Bantagas.

Only one of six Manila-based Japanese officials interviewed by BUSINESS DAY expressed optimism that the requests would be approved during Mrs. Aquino's visit this month.

The five others indicated that only the special loan for Calaca had a great chance of being approved. On the amount for the 14th yen loan package, they were unanimous in that "it's too big" and that the OECF would probably lend only 70 billion to 80 billion yen in the package.

Chances of getting the \$500 million loan from the Japanese Eximbank would depend on some factors beyond the control of the Philippine government.

Originally, the Eximbank committed \$300 million in a co-financing package with the World Bank as an "economy recovery loan." The Ministry of Finance last month asked the Eximbank to raise the amount to \$500 million, but sources said an increase was possible if the World Bank would also increase its share from \$300 million to \$500 million.

Minister Masaaki Kuniyasu of the Japanese Embassy said the 130 billion yen asked from the OECF "is too much and nothing big like that has happened" in the history of Japan's official development assistance (ODA).

Since Japan started giving ODA to the Philippines, its total packages (project loans, grants and technical assistance) on the average ranged from 40 to 50 billion yen a year.

The requested amount for the 14th yen package is 162.63 percent more than the 13th package 49.5 billion yen.

Japanese officials said they were surprised by the amount requested. According to Kuniyasu, the Philippines has been asking Japan for an increase in assistance to the levels given to Indonesia and China, which range from 70 to 80 billion yen a year.

It was a surprise when the Philippines asked for 130 billion yen, Kuniyasu said.

The embassy official also noted a lack of coordination among Philippine government ministries in asking for assistance from Japan.

The request for the 130 billion yen package "did not specify what projects will be financed," Kuniyasu said, but added that the embassy has received several requests from various ministries for assistance for different projects.

"This is the basic mistake of your 'new government' in negotiating for the 14th yen package," another embassy official said. "The Philippines should specify what projects will be financed under the package, otherwise it will have no chance of getting approved."

Aquino administration officials have been critical of how previous loan packages had been handled by the past government, he said. But in a way, the past government knew how to negotiate properly by identifying what specific projects were involved, he added.

"They said previous loans were misused. But if there were specific projects, there is still a possibility of identifying where the funds went. However, if no specific projects are named, that's even more difficult, since it's going to be hard to follow where the funds are going."

Earlier reports indicate that "Japan is worried" about the precedent that may have been set by President Aquino's visit to the United States after which the Congress approved \$200 million supplemental aid to the Philippines.

However, some Japanese officials said the Philippines might expect too much from their government. They doubted whether Tokyo could match Washington's move as a result of [Aquino's] visit.

Kuniyasu emphasized that "Japanese are not like the Americans" who can get emotional. "The Japanese are more bureaucratic and will not promise something which it could not fulfill later on."

Loans Restructuring Sought

OW040807 Tokyo KYODO in English 0705 GMT 4 Nov 86

[Text] Manila, Nov 4 OANA-KYODO -- Trade and Industry Minister Jose Concepcion Jr. Tuesday said the Philippine Government will seek the restructuring of some 800 million dollars in loans obtained from Japanese commercial banks when President Aquino visits Japan on November 10-13. Concepcion, a member of the 10-man entourage of the president, said the government will seek improved market access of Philippine products to Japan, increased foreign investment in the Philippines and greater technical assistance from Japan for Philippine agricultural projects.

Briefing newsmen who will cover the four-day visit of the president to Tokyo, Concepcion said the Philippines panel will present to Japanese officials as well as business leaders an entirely new Philippines as an attractive alternative investment area when it comes to overseas investments.

According to Concepcion, the 800 million dollar worth of loans was incurred by three state-owned companies and the private conglomerate, namely the Philippine Phosphate Corp., the Philippine Associates Smelting and Refining Corp., Philippine National Construction Corp. and the Martel group of companies.

Concepcion said the Philippine government will ask for the restructuring of the loans for 20 years with the grace period of 10 years. He said he will also request for reasonable interest rates so that these companies will have enough cash flow to enable them to continue their operation.

On bilateral trade, Concepcion said the Philippines has shown its capability to export at least 149 non-traditional products to Japan. These include garments, furniture, gifts and houseware, fresh processed foods, footwear, construction materials and electronics.

ENRILE CLEARED OF ACQUIRING 'ILL-GOTTEN' WEALTH

OWO41123 Tokyo KYODO in English 1109 GMT 4 Nov 86

[Text] Manila, Nov. 4 KYODO -- An official of a presidential commission tasked with unearthing the ill-gotten wealth of government officials said it has no evidence of any wealth "hidden" by Defense Minister Juan Ponce Enrile, now being investigated by the U.S. Justice Department on possible diversion of American aid money for his personal use. Commissioner Raul Daza of the Good Government Commission (PCGG) told reporters in the central Philippine island of Cebu that Enrile's statement of assets and liabilities shows that his acquisitions were based on legitimate work or business investments, the state-run PHILIPPINE NEWS AGENCY (PNA) reported.

Enrile, who was a well-known lawyer before entering politics in the mid-60s, categorically denied having diverted any U.S. aid funds to purchase properties in the United States and said the allegations which appeared in an American newspaper last Saturday were part of a "veiled blackmail scheme" to silence his criticisms of certain policies of President Corazon Aquino.

The report of an investigation of Enrile followed declarations by American officials of "complete and unequivocal" support for Aquino, main target of the hardline defense minister's criticisms. Enrile said Monday that he will make the American investigators "eat" documents which he says prove he did not commit any irregularity in acquiring properties in San Francisco which have already been sold.

The PCGG has been investigating alleged ill-gotten wealth of officials identified with the deposed regime of Ferdinand Marcos, who was forced into exile in a civilian-backed military revolt led by Enrile last February, which swept Aquino into power.

ENRILE OPPOSES CHARTER'S NUCLEAR-FREE PROVISION

HK031421 Manila PHILIPPINE DAILY INQUIRER in English 1 Nov 86 p 1

[Excerpt] Defense Minister Juan Ponce Enrile, veering closer to another confrontation with President Aquino, indicated yesterday his opposition to the new Constitution owing to its provision declaring the Philippines nuclear-free territory.

Enrile told a gathering of Rotary Clubs in Bulacan that the anti-nuclear provision could endanger national security and render obsolete American military bases here.

Asked during the open forum whether he will campaign for the rejection of the draft Charter in a plebiscite early next year, Enrile replied cryptically: "I leave the bad to myself and my conscience." [sentence as published]

Enrile's non-committal reply notwithstanding, the plebiscite on the draft Charter will be an "all-or-nothing" proposition. An objection to any of its provisions becomes a vote against the new Constitution in its entirety.

Enrile's stand on the new Constitution comes in the wake of a flurry of strong signals from Malacanang and the White House that he support the President. [passage omitted]

PAPER REPORTS ENRILE'S IMPORT OF WEAPONS

HK031411 Manila THE MANILA CHRONICLE in English 2 Nov 86 pp 1, 3

[By staff member Malou Mangahas]

[Text] Since July, the Defense Ministry has brought into the country shipments of high-powered weapons, ammunition and military equipment that allegedly lacked official procurement documents, Customs Collector Alexander Padilla told the 'Chronicle' yesterday.

But Executive Secretary Joker Arroyo clarified that while these shipments may lack documents, Customs officials make it a matter of procedure to verify with Malacanang if these were in fact official shipments for the ministry, prior to releasing the items.

Padilla said that on nearly 10 occasions, the ministry had imported the following items: 200 Uzi mini-submachineguns, FNC assault rifles, 12,000 rounds of ammunition, 200 pieces of Uzi magazines (each capable of loading 32 rounds), night-scopes, camouflage uniforms, knives, bulletproof vests, primer powder for reloading bullets.

The 'Chronicle' sought but failed to get the MND [Ministry of National Defense] officials' comment at presstime.

He said the consignees of the shipments were Defense Minister Juan Ponce Enrile and his chief security officer, Col. Gregorio Honasan.

Official procurements of weapons or military supplies, Padilla said, are usually covered by an authorization from the Constabulary-Firearms and Explosives Unit (FEU), as well as a tax-waiver document from the Ministry of Finance Tax Exemption Division.

The MND shipments, he explained, were not covered by these papers.

In the case of the two shipments of 100 Uzi guns each, Padilla said Honasan had merely sent him a letter requesting the release and waiver of taxes and duties on the times.

Padilla estimated that the market value of each Uzi gun was P70,000, and the tax on each was from P30,000 to P40,000. [figures as published]

Honasan had reportedly asked that the shipments be released to a certain Herman C. Malonso, the MND liaison officer at Customs.

The arms shipments, Padilla recalled, were official issues from the Israeli Government.

When the shipments arrived, Padilla said the Bureau of Customs had sought Malacanang's verification, before releasing the guns to the PC [Philippine Constabulary]-FEU.

He cited that in June the PC had also procured about 100 handguns but this was covered by official documents from both the FEU and the Finance Ministry.

Padilla remarked that the importation of the MND "represents tremendous firepower capability."

When inquired about the shipments, Arroyo said the Palace just has "to assume and give full faith to what the minister of defense, or any other minister says for that matter," that the shipments were official procurements.

AFP TO BOOST AIRLIFT CAPABILITY AGAINST REBELS

HK031459 Quezon City BUSINESS DAY in English 3 Nov 86 p 15

[By reporter Joel D. Lacsamana]

[Text] The Armed Forces of the Philippines (AFP) will buy at least 50 more helicopters in the next five years to boost its airlift capability against communist guerrillas, a defense ministry official said.

Brig. Gen. Mario Espina (ret.), assistant defense secretary for installations and logistics, told BUSINESS DAY that the purchase will provide the AFP's 13 regional unified commands (RUCS) the capability to airlift one company of combat troops each and will definitely improve combat effectiveness in the field.

Espina said the military needs at least 200 helicopters for its operations but noted that the AFP asked for only 120 units because of the country's other budgetary priorities.

The Philippine Air Force [PAF] currently has 70 helicopters, more than 50 of which are operational.

Last week, the PAF accepted the delivery of eight reconditioned UH-1H "Huey" helicopters from the U.S. The aircraft were acquired through the foreign military sales credits under the RP [Republic of the Philippines]-U.S. military bases agreement.

Eight damaged helicopters of the PAF were replaced with eight reconditioned ones at an estimated cost of P6 million.

Espina disclosed that the military needs transport helicopters rather than combat gunships in line with the future AFP strategy against the communist insurgents.

Simply put, Espina said the strategy will allow the military to "hit them when they are big, and hit them some more when they disperse."

The assistant defense secretary noted, that the New People's Army (NPA) has been amassing company-sized forces in attacking government installations and military targets.

"If military units in the field could be brought to where the rebels are, there would be no need to bomb them," Espina said.

In 1984, the PAF acquired new helicopters during the controversial purchase of Sikorsky S-76 and Black Hawks. The then political opposition criticized this purchase claiming that while the Air Force needed "jeeps," they were given "Cadillacs" instead.

A total of 16 [as published] new helicopters were acquired at that time. Fourteen were S-76s, two were Black Hawks VIP versions and another one was an executive utility version.

MILITARY CONFIRMS AIR STRIKE AGAINST NPA CAMP

HK031313 Manila MANILA BULLETIN in English 2 Nov 86 p 18

[Text] Davao City (PNA) -- The Regional Unified Command 11 [RUC-11] yesterday confirmed local newspaper reports that its air force component made a tactical run over the Ampapawid complex in San Vicente, Davao del Norte.

An after-operations report received by the RUC said that two World War II-vintage AT-28D trainer planes equipped with caliber 50 machine guns and two anti-personnel rockets strafed and bombed a training camp of the Southeastern Mindanao regional party committee of the Communist Party of the Philippines (CPP).

The report said the air strike made a direct hit, damaging two bunk-houses and a machinegun emplacement, and sent heavily-armed guerrillas scampering for cover.

An RUC-11 spokesman also said the air attack was made imperative by the fact that "The communist training camp was situated in terrain beyond the efficient and cost-effective capability of ground forces to penetrate and destroy."

Col. Marcelo Blando told defense reporters that "the attack preempted a second round of training planned by the CPP-NPA involving some 100 recruits to be deployed near municipal centers in Davao del Norte under the so-called people's militia."

Blando rejected as "technically impossible" the claims of the CPP-NPA that 500 persons were hurt in the bombing run. The CPP-NPA under a certain Froilan Manreal was earlier reported to have cried foul on the air strike, claiming 500 civilians hurt, 30 houses burned, and several livestock killed.

12 KILLED IN ARMY-NPA FIREFIGHT IN ZAMBOANGA

HK031335 Manila MANILA BULLETIN in English 2 Nov 86 p 18

[By F.T. Flores]

[Text] Bayog, Zamboanga del Sur -- Eleven New People's Army (NPA) rebels and an Army trooper were killed in an encounter with 33rd Infantry Battalion troops headed by Major Edgardo Matoliano last Friday morning.

Capt. Alfredo Dave, commanding officer of the "Charlie" company, said the government troops encountered the rebels at Upper Tiwalas, Bayog. The firefight lasted for more than four hours, killing Pfc. Felix N. Tanelon of the Philippine Army and seven NPA guerrillas. An M-16 rifle was recovered after the clash.

At 1 p.m. Friday, a composite company under Capt. Dionisio Nemenio and Lt. Roger Bacalangco chased the fleeing rebels and killed four of them.

The Army troops recovered one M-16 rifle, 600 rounds of ammunition, 12 rounds and [a] 40mm grenade launcher, assorted medicines and subversive documents.

Brig. Gen. Ernesto C. Maderazo, commanding general of the 1st Infantry "Tabak" [Cutlass] Division, asked the guerrillas to cease from fighting to achieve peace in Mindanao.

INTELLIGENCE COORDINATING AGENCY 'DEMILITARIZED'

HK031417 Manila MANILA BULLETIN in English 2 Nov 86 p 8

[By Jose de Vera]

[Excerpt] Maj. Gen. (ret.) Luis Villareal, director-general of the National Intelligence Coordinating Agency (NICA), told a recent press conference that NICA has been completely "demilitarized."

Except for his aide who is a first lieutenant in the active service, Villareal said, all Armed Forces officers and men in the active military service (a little over 500 of them) have returned to their mother units.

However, Villareal said that for reasons unknown, some of the 500 who did not like their new assignments either deserted or went on absence without leave (AWOL). Later, the New Armed Forces high command decided to drop their names from the roll of the NAFF (New Armed Forces of the Philippines).

According to the NICA director-general, it was his policy to make NICA, an office directly under the office of the President, a purely civilian outfit whose primary task is to collate all reports of intelligence arms of every government agency, including those of the Armed Forces. The reports are used as reference by the Chief Executive in formulating policies.

The new NICA head said most of the civilian agents and operatives of NICA are former seasoned intelligence officers of the military who had either resigned or retired from the military.

In the same press conference, Villareal disclosed that many of the 500 servicemen hired by the then National Intelligence Service Authority (NISA) were actually spies planted by the former regime in government offices and government-owned corporations.

When asked if military personnel on detail with civil agencies of government have been recalled, Villareal said that he believed some continue to defy the recall orders of Defense Minister Juan Ponce Enrile and NAFF Chief of Staff Gen. Fidel V. Ramos. [passage omitted]

33 AWOL PSC MEMBERS SURRENDER EN MASSE

HK031433 Manila THE MANILA TIMES in English 1 Nov 86 p 2

[Excerpts] Thirty-three more members of the defunct Presidential Security Command (PSC), who went absent without official leave after the February "revolution", have surrendered en masse to Brig. Gen. Ramon Montano.

The PSC men gave up after Montano, Capital Regional Command (Capcom) chief and concurrent Metropolitan Police force director, ordered his men to watch more closely the AWOL PSC men.

Security authorities earlier suspected them as among the groups that might be behind the rash of bombings in Metro Manila.

Montano explained that investigators narrowed down their suspicions to the missing PSC men and the communist New People's Army.

Only the two groups have the "sophistication and training" to launch the recent spate of terroristic acts aimed at destabilizing the government, he said. [passage omitted]

Montano, however, dispelled any insinuation that the latest batch to surrender could be behind the bombings.

He said the elite troops gave up after months of hiding because they wanted to return to active military duty. [passage omitted]

Meanwhile Col. Honest Isleta, Armed Forces spokesman, expressed hope that [Armed Forces chief General Fidel] Ramos might still show leniency to the 33 soldiers, if they could come up with "justifiable reasons" why they went AWOL.

De Villa said there were "not less than 200" PC [Philippines Constabulary] men who joined the elite PSC and [were] still unaccounted for by his command.

Isleta advised said troops to return before Christmas to enjoy the "lenient" policy of Ramos in the spirit of reconciliation.

De Villa added no charges would be filed against the 33 as long as they were not armed.

Soldiers who are dismissed after going AWOL are no longer authorized to bring firearms.

COMELEC SETS PLEBISCITE, REGISTRATION DATES

HK040223 Manila Far East Broadcasting Company in English 2300 GMT 3 Nov 86

[Text] The Commission on Elections [Comelec] yesterday [3 November] set the plebiscite date for February 2, 1987 and the general registration of voters for December 6, 7, 13 and 14, 1986. Comelec Chairman Ramon Felipe Jr said the dates were fixed during the executive session of the commissioners this afternoon. Felipe said that all qualified voters have to register anew. He said that under the law it is the duty of every qualified voter to register and to vote. Failure to do so is punishable by a fine of P100.

COALITION TO CAMPAIGN FOR CHARTER'S APPROVAL

HK031451 Manila THE MANILA CHRONICLE in English 1 Nov 86 pp 1, 6

[By staff member Raissa Espinosa]

[Text] Three political parties and a core organization of cause-oriented groups formed yesterday a coalition that would campaign for the approval of the draft constitution.

Banding themselves into the Coalition for the Constitution's Approval (CCA) are the Liberal Party (Salonga wing), PDP-Laban, [Philippine Democratic Party-Strength of the Nation] Partido Demokratiko Sosyalista ng Pilipinas [Philippine Socialist Democratic Party] (PDSP) and Bandila (Basang Nagkakaisa sa Diwa at Layunin) [Nation United in Spirit and Purpose].

A fourth group, the National Union of Christian Democrats of Raul Manglapus, has been invited to join, Raul Daza of the LP [Liberal Party] said.

The CCA thus becomes the first political grouping to throw its support behind the proposed charter.

Daza said a vote for the Constitution was a confidence vote for President Aquino. The coalition has for its campaign slogan "Yes for Cory, yes for Democracy (Give Peace a Chance)."

Bandila National Chairman Agapito "Butz" Aquino said that the CCA hopes to link up with the newly formed Lakas ng Bansa [People's Power] and a conglomeration of business and civic groups.

Close cooperation with the Partido ng Bayan [People's Party] and the United Nationalist Democratic Organization (Unido) is also possible and still under study, Aquino said. It all depends on these parties' stand on the charter.

Unido is expected to make its stand known by Nov. 10.

Aquino did not discount the possibility of CCA becoming the umbrella coalition in the coming local and national elections.

Asked about press reports quoting Mindanao [as published] National Liberation Front (MNLF) [chief] Nur Misuari as opposing the draft, Aquino said there had been some misunderstanding. Misuari is against a portion of the autonomy provision in the proposed charter "but that doesn't mean he is against the entire constitution," Aquino claimed. He could not name the provision in question offhand.

CCA's acting secretary-general Noel Soriano told the 'Chronicle' that President Aquino had known of the group's intention to form a coalition but has yet to indicate her reaction to it. The group intends to see her on Wednesday.

Butz Aquino noted that "by coincidence or design," CCA bears the same initials as those of the President, Corazon Cojuangco Aquino.

CCA's executive committee's composed of Abraham Sarmiento and Daza for LP; acting Metro Manila Governor Joey Lina and acting Makati Mayor Jejomar Binay for PDP-Laban; Marianito Canonigo and Noel Soriano for Bandila; Ding Estorees and Ramon Pedrosa for PDSP. The officers will soon be elected.

Committees will be formed in every province and an information drive will be launched among all sectors including the military, Aquino said.

For this purpose, Minister Jovito Salonga of the Presidential commission on Good Government [PCGG] granted Daza, who is a PCGG commissioner, a "limited" leave of absence. Daza only has to report every Tuesday, Wednesday and Friday to the commission during the campaign period.

The formation of CCA has brought together the social democrats of the political scene to counter the anti-ratification campaign of the Kilusang Bagong Lipunan (KBL) and the Nacionalista Party (Renato Cayetano wing) made up mostly of KBL defectors.

Parties in the extreme left, Bayan (Bagong Alyansang Makabayan) [New Nationalist Alliance] and the newly-formed Partido ng Bayan, still have to reveal their stand. However, ex-Constitutional Commissioners Jaime Tadeo and Jose Suarez who are both Bayan officials have already decided to reject the draft charter.

Yesterday's CCA meeting at Club Filipino was attended by Minister Jovito Salonga of PCGG, Minister Victor Ziga of General Services, Juliet Yee, Abraham Sarmiento and Daza; Bert Gonzales, Gerry Urbina and William Trespe of PDSP; Metro Manila Commissioner Robert Nacianceno, Gary Cayton and Mayor Isidro Garcia for PDP-Laban; Commission on Audit Chairman Teofisto Guingona, Aquino, Noel Soriano, Mar Canonigo and Yet Severino for Bandila.

After the CCA press conference PDP-Laban members conferred with their newly elected head, Jose "Peping" Cojuangco, President Aquino's younger brother.

CARDINAL SIN APPLAUDS DRAFT CONSTITUTION

HK040257 Hong Kong AFP in English 0313 GMT 4 Nov 86

[Excerpts] Manila, Nov 4 (AFP) -- Philippine Primate Jaime Cardinal Sin Tuesday gave his blessings to a draft new constitution granting President Corazon Aquino an extended term ending 1992. The Archbishop of Manila also told reporters over breakfast at his suburban Manila villa that he was supporting Mrs. Aquino's efforts to negotiate peace with communist rebels because she was merely conforming with church doctrine.

Calling the proposed charter "the best and very unique," "perfect" and "so beautiful," he said: "If it is that beautiful, why should we not campaign for the ratification of the constitution?"

But the 58-year-old prelate, who is personally close to Mrs. Aquino, stressed that the stand of the church, a powerful force in this largely Roman Catholic nation of 56 million, was to be discussed at a conference this month. The cardinal specially praised provisions against abortion and birth control, and those aimed at preventing abuses of government authority.

He quipped that a provision moving the end of Mrs. Aquino's term from February 1992 to June that year -- aimed at synchronizing presidential and legislative polls -- was "a reward" for Mrs. Aquino, but did not elaborate.

The opposition is campaigning for a "no" vote in a plebiscite expected to be held late January or early February in the hope that the charter's rejection would force Mrs. Aquino to step down or run again in a snap election. [passage omitted]

Asked if he had been asked by the new government to express support for Mrs. Aquino during her current problems, he said: "We are responsible people. We will know what to do. If we believe that it is good we will support it."

"We will always try our best to guide our people," he added.

Cardinal Sin, whose stinging criticisms against the 20-year Marcos regime had reputedly undermined support for the former president, said he wanted to now take a low profile and leave the political scene to laymen. "I do not want to interfere in government affairs," he said, adding that it may cause a backlash in the form of "anti-clericalism." [passage omitted]

CPP CALLS FOR REJECTION OF NEW CONSTITUTION

HK031341 Manila THE NEW PHILIPPINES DAILY EXPRESS in English 1 Nov 86 pp 1, 7

[By Ibarra C. Mateo]

[Text] The Communist Party of the Philippines [CPP] called yesterday for the rejection of the proposed Constitution which it described as "pro-imperialist and anti-masses." It said the draft charter "grossly failed to unequivocally and decisively address" the more pressing fundamental issues that confront [the] majority of Filipinos.

Without the resolution of these fundamental issues, the CPP said, the formal political rights and processes, "neatly and sweetly phrased" in the proposed Constitution, are "simply meaningless." References to human rights and social justice are mere "bourgeois-democratic embellishments" to the draft charter, it said.

The CPP said the Constitutional Commission, having been appointed by President Aquino, was swamped by political representatives of the class that bows to the dictates of the United States.

"The majority of the framers, however, have only sought to perpetuate the prevailing social order. In doing so, they have only succeeded in firming up the bases for continuing social decay and repression, the very causes of popular unrest," it said.

The CPP said: "It (the draft charter) objectively seeks to stabilize the very condition that gives rise to crises and repression. It essentially reflects and intends to preserve the interest of big compradors, the big landlords, and their foreign overlords."

It said that while the proposed Constitution adheres to a policy of "freedom from nuclear weapons in its territory," it ironically condones the maintenance of the United States military bases that make possible their storage. Through the retention of these military installations, the proposed Constitution, the CPP said, allows the Philippines to be used as a "launching pad for aggression by the gendarmes of international capital and the chief proponents of war."

By allowing so many loopholes, the CPP said, the land reform provision failed to address squarely the peasants' demand to own the land they till.

MARCOS SUPPORTERS ARRESTED FOR MANILA BOMBINGS

HK041149 Hong Kong AFP in English 1143 GMT 4 Nov 86

[Text] Manila, Nov 4 (AFP) -- The authorities arrested two supporters of deposed President Ferdinand Marcos here Tuesday in connection with a series of bombings in Manila last month, the paramilitary Constabulary announced.

Officers raided the houses of Roger Gernali and Sabas Grapil after unnamed witnesses implicated them in the bombings which injured three people, a Constabulary spokesman said. However, the raiders reportedly did not find bombs or explosives on the premises.

Both suspects are members of the Ako'y Pilipino movement, which has held rallies in support of the exiled former president, the spokesman told AGENCE FRANCE-PRESSE. Four other unnamed suspects are to be arrested shortly, the spokesman added.

The Armed Forces and the defense establishment had earlier charged that the communist New People's Army (NPA) or other terrorist groups were behind the bombings, which began about three weeks ago with the attempted bombing of a water main in the suburb of San Juan. This was followed by bomb explosions in front of a restaurant and outside a commercial building in the nearby financial district of Makati, and a grenade attack on a building which formerly housed the election campaign headquarters of President Corazon Aquino.

The NPA, the 23,000-strong armed wing of the banned Communist Party of the Philippines, has denied the charges and said right-wing groups could have been responsible.

"We are very sure that they (the two suspects) were responsible, that they were involved in the series of bombings," said Brigadier General Ramon Montano, the Constabulary chief of Metropolitan Manila, in an interview aired over government television.

In another television interview the suspects' lawyer, Felicisimo Cabigao, denied that his clients were involved in the bombings, saying the raiders did not even find any explosives in their homes.

2 NPA SPARROW UNIT MEMBERS CAPTURED IN CEBU

HK040631 Quezon City Radyo ng Bayan in Tagalog 0600 GMT 4 Nov 86

[Text] Two New People's Army sparrow unit members captured last week following a 25 minute firefight in Labangon, Cebu City, are now undergoing intensive interrogation. The two, identified as (Ulysses Ayuga), alias Bogoy, and Nestor Gomez, alias Kinko, are said to belong to the group suspected of murdering seven Constabulary members and policemen since 1985.

REBEL ATTACKS MAY CLOSE LARGEST PAPER MILLS

HK040329 Quezon City Radyo ng Bayan in Tagalog 0300 GMT 4 Nov 86

[Text] The Paper Industries Corporation of the Philippines [PICOP], the largest paper producer in the country, may have to shut down operations as a result of continued attacks by communist rebels. In a letter sent to Armed Forces chief General Fidel Ramos, the PICOP management said that the peace-and-order situation in Lanao del Norte and other parts of eastern Mindanao has deteriorated and the company may have to halt paper production altogether if the situation worsens.

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